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Austria ... Sch. 18	Indonesia ... Rp 2500	Portugal ... Esc 80
Bahrain ... Din 0.650	Italy ... L 1300	S. Arabia ... Rls 6.00
Belgium ... BFr. 38	Japan ... Y550	Singapore ... S$ 4.10
Canada ... C$2.00	Jordan ... Fils 500	Spain ... Pta 110
Cyprus ... C£0.80	Kuwait ... Fils 600	Sri Lanka ... Rup 30
Denmark ... DKr 7.25	Lebanon ... £L 6.00	Sweden ... Skr 8.50
Egypt ... E£1.00	Luxembourg ... LFr 38	Switzerland SFr 2.20
Finland ... Fmk 6.00	Malaysia ... Rm 4.25	Taiwan ... NT $85
France ... FFr 8.00	Mexico ... Pes. 300	Tunisia ... Din 0.800
Germany ... DM 2.20	Morocco ... Dh 6.00	Turkey ... L 210
Greece ... Dr 70	Netherlands ... Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong ... HK$ 12	Norway ... Nkr 6.00	U.S.A. ... $1.50
India ... Rup. 15	Philippines ... Pes. 20	

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FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,519 Wednesday January 9 1985 D 8523 B

A time of hope for the European Community, Page 11

NEWS SUMMARY

GENERAL

Killing of priest a 'top-level decision'

The leader of the group which kidnapped and murdered the Polish pro-Solidarity priest Father Jerzy Popieluszko testified that he believed the action had high-level official sanction.

Captain Gregorz Piotrowski told the Torun provincial court that he assumed the decision to kidnap the priest the could have been taken only by a deputy interior minister.

The issue of the ultimate responsibility, however, stands little hope of being resolved as Capt Piotrowski's immediate superior has denied the charges and is not expected to confirm his own part in the case. Page 2

Rendezvous rejected

President Reagan invited the Soviet Union to talks on staging a rendezvous in space which might have led to further joint space ventures. The offer was turned down.

Kennedy clash

Senator Edward Kennedy, on a visit to South Africa, clashed with U.S. Ambassador Herman Nickel over whether foreign investors should withdraw to force political change in the country. Page 12

Spain protest ends

A Spanish destroyer and two patrol boats intervened to force 400 shipyard workers to abandon a ferry hijacked in Vigo in protest against job cuts.

U.S. priest kidnapped

U.S. priest Father Lawrence Yenco, director of the Catholic Relief Service, was kidnapped by gunmen in west Beirut. Lt Col Claude Cuenot, deputy commander of the French military observer force, was shot dead. Page 3

Ship hit in Gulf

A South Korean freighter reported it had been hit in a missile attack in the Gulf and that two crew members were seriously injured.

Indian arrests

Sixty one people suspected of involvement in anti-Sikh riots started by Indian Prime Minister Indira Gandhi's assassination have been arrested in New Delhi.

Vietnam takes base

Vietnamese troops captured the key Kampuchean guerrilla base of Ampil near the Thai border after two days of fierce fighting.

Subs for Sweden

Sweden confirmed that it has bought two miniature submarines to improve its coastal defence system against intruders. Page 2

EEC trade demand

European businessmen greeted the arrival of a new EEC Commission with a demand for the removal of internal trade barriers and a further strengthening of the European Monetary System. Page 2

Japan cancer move

Japan became the first country to launch a mass screening programme to detect neuroblastoma, one of the most common forms of cancer in babies, affecting the adrenal gland.

Italian election

Italy began the countdown to the election of the President of the republic. Page 2

Financial Times

We apologise for any errors in this edition resulting from delays caused by meetings of members of the National Graphical Association.

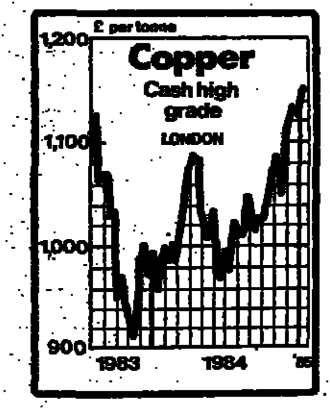
BUSINESS

Record highs for European bourses

EUROPEAN bourses extended their record run as London was buoyed by healthy money supply figures and the FT Ordinary index surged 15.5 to a new peak of 971.2. Gilts respond with sharp gains.

In **Frankfurt** the Commerzbank index rose 14.3 to 1,137.8, a new high, as foreign investors sought currency gains. In Amsterdam the ANP-CBS General index edged 0.7 up to a record 188.2. **Zurich, Paris** and **Milan** also hit new 12-month highs.

Meanwhile, in **Tokyo** the Nikkei Dow market average stormed ahead by 104.27 to an all-time high of 11,679.79 on the strength of the yen's rally. Details, Page 13



COPPER prices rose to their highest sterling levels for nearly five years on the London Metal Exchange, encouraged by a sharp overnight recovery in New York and gold's return over $300. Higher grade cash copper added £9 to £1,152.5 a tonne. Page 32

WALL STREET: The Dow Jones industrial average closed up 1.11 at 1,191.70. Page 13.

DOLLAR lost ground in London to DM 3.154 (DM 3.176), SwFr 2.6355 (SwFr 2.646), FFr 9.6625 (FFr 9.7175) and Y253.7 (Y255.85). On Bank of England figures, the dollar's exchange index fell to 145.7 from 146.3. In New York it was DM 3.1720, FFr 9.7075, SwFr 2.6530 and Y254.50. Page 33

STERLING was firmer against the dollar in London, rising 60 points to $1.148. It also improved to SwFr 3.025 (SwFr 3.0225) and FFr 11.15 (FFr 11.095), but weakened to DM 3.62 (DM 3.625) and Y291.25 (Y292.0). The pound's exchange index rose to 72.7 from 72.6. In New York it was $1.1390. Page 33

GOLD rose $5.75 on the London bullion market to $302.25. It was also higher in Zurich at $300.75. In New York the Comex February settlement was $298.00. Page 32

FINLAND cut its discount rate to 9 per cent from 9.5 per cent, effective February 1, to stimulate economic growth. Page 2

UNION CARBIDE'S debt rating has been lowered by Standard & Poor's, the U.S. credit-rating agency, in the wake of the disaster at its Bhopal plant in India. Page 22

RMC GROUP, UK construction industry materials supplier, has taken near-total control of West Germany's Rheinisch-Westfälische Kalkwerke in a DM 80.3m ($28.28m) deal. RMC is also paying $6m for the assets of Allied Products, a concrete producer in Atlanta, Georgia, in the U.S. Page 26

NORTHEASTERN International Airways, the Florida-based airline, yesterday filed for protection from creditors under Chapter 11 of the U.S. Bankruptcy Code. Page 22

DR HEINZ SIPPEL, who presided over the recovery of Hessische Landesbank (Helaba) in West Germany, intends to step down at the end of this year. Page 23

LTV, the U.S. steel maker, and Sumitomo Metal Industries, of Japan, have reached preliminary agreement on a joint steel project in the U.S. Page 22

Regan and Baker to swap jobs in U.S. reshuffle

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

PRESIDENT RONALD Reagan yesterday announced the first big Cabinet reshuffle of his second term of office, naming Mr James Baker, the White House Chief of Staff, to replace Mr Donald Regan as Secretary of the Treasury.

In a straight job switch by two of the President's closest advisers, Mr Regan is to take Mr Baker's key post at the White House.

The surprise move completed a clean sweep of Mr Reagan's inner circle of White House advisers after last week's resignation of Mr Michael Deaver as Deputy Chief of Staff and the nomination of Mr Edwin Meese, the White House counsellor, as Attorney-General.

[Mr Todd Conover, Comptroller of the Currency and a leading advocate of deregulating the U.S. banking industry, also announced yesterday that he would be resigning in the spring, **writes Stewart Fleming**. Although his office is a subdepartment of the Treasury, there was no indication that Mr Conover's decision was linked to Mr Regan's job switch.]

With the departure from Washington of Mr William Clark, who is to retire as Secretary of the Interior, Mr Reagan will be left without any of the four closest advisers of his first term in his immediate entourage.

Mr Reagan's conservative supporters will particularly welcome the transfer of the "moderate" Mr Baker, who had looked like acquiring even greater power at the White House with the break-up of Mr Reagan's original Californian cabal.

It was widely thought in Washington yesterday that one reason for Mr Reagan's agreement to the switch was a desire to relieve pressure from right-wingers distressed at the dilution of conservative influence in the inner circle. Many of them had expressed dismay that the "pragmatic" Mr Baker would be in an unassailable position to undermine the "Reagan revolution" in the president's second term.

Mr Larry Speakes, the White House spokesman, said that the switch had first been suggested by Mr Regan, who was credited with being "the author of this idea" several days ago.

Mr Baker, a corporate lawyer by profession, brings considerable political and administrative flair to his new job at the Treasury, but little in-depth experience of economic and monetary policy.

His main immediate task will be to take responsibility for the Administration's efforts to reduce the soaring federal budget deficits and assume charge of his predecessor's plans for a comprehensive reform of the tax system, announced last month.

While Mr Regan is unlikely to abdicate from giving economic advice in his new post, Mr Reagan said yesterday that Mr Baker, a close

Continued on Page 12

Power behind the scenes, Page 4; Editorial comment, Page 10

Gromyko, Shultz agree to resume arms talks

BY ROBERT MAUTHNER AND PATRICK COCKBURN IN GENEVA

THE UNITED States and the Soviet Union have agreed to resume negotiations on arms control, including the regulation of space weapons. A date for the talks will be set within a month.

Mr George Shultz, the U.S. Secretary of State, and Mr Andrei Gromyko, the Soviet Foreign Minister, reached agreement on the subject of the negotiations after two days of talks in Geneva yesterday.

The purpose of the negotiations will be to "work out effective agreements to prevent an arms race in space and terminating it on earth," Mr Shultz said.

He warned that there were "many tough and complicated issues to be resolved," but said the ultimate purpose of the talks is the "complete elimination of nuclear arms everywhere."

The U.S. and the Soviet Union will appoint three sets of negotiators to deal with space weapons, intermediate and medium-range nuclear arms, it was announced in a joint statement carried by Tass, the Soviet newsagency, after the meeting. [AP]

Robert Mauthner and Patrick Cockburn in Geneva add: Mr Valentin Zorin, one of Soviet television's principal commentators, said that the talks had led to clarification of each country's position, a factor which would facilitate a U.S.-Soviet dialogue.

The U.S. position, however had reflected earlier ideas which would make it difficult to reach a mutually acceptable agreement on ways of tackling arms control.

That might have been a reference to a U.S. refusal to halt its research on space-based anti-ballistic missile systems, which the Soviets have denounced as constituting a new stage in the arms race, greatly increasing the chances of nuclear war.

The U.S. has put most of the emphasis on curbing land-based offensive missiles and has expressed willingness to discuss space weapons only in very general terms.

U.S. officials have argued that it does not make sense to negotiate about weapons which will take another 10 to 15 years to develop.

Throughout the talks it has been evident that the desire of both Washington and Moscow for friendlier relations has been at odds with negotiating positions on nuclear arms limitation, which are a long way apart.

Both sides have been careful throughout the Geneva meeting to avoid sniping at each other and have maintained complete secrecy about the contents of their discussions, despite the presence of some 800 accredited press representatives.

In keeping with a promise made by Mr Shultz to his Nato allies, the U.S. participants in the talks will make an intensive effort to consult their partners.

Mr Richard Burt, the U.S. Assistant Secretary of State for European Affairs, is due to give a report on the talks to Nato ambassadors in Brussels today, while Mr Robert McFarlane, the U.S. National Security Adviser, is expected to go to London on a similar mission. Mr Paul Nitze, Mr Shultz's special arms-control adviser, is scheduled to fly to Bonn to inform the West German Government.

President Ronald Reagan is due to give a press conference on the outcome of the talks in Washington today.

Diamond Shamrock shares fall after Oxy merger collapses

BY PAUL TAYLOR IN NEW YORK

DIAMOND SHAMROCK shares fell sharply in early New York trading yesterday as Wall Street arbitrageurs and investors attempted to minimise their losses by unloading stock after the announcement that the U.S. energy group's multibillon-dollar merger with Occidental Petroleum had been abandoned just hours after it appeared to be settled.

As industry experts tried to piece together what went wrong with the seven-hour "trial marriage," investors and Wall Street's band of stock arbitrageurs, who are thought to have purchased most of the 9m Diamond Shamrock shares traded since rumours of a possible merger burst on to Wall Street on Friday, were left to count the cost.

Diamond Shamrock shares plunged $2¼ to $17¾ in the first 90 minutes of trading, with almost 2.5m shares changing hands, wiping $300m, or over 11 per cent, off the Dallas-based company's market capitalisation.

The value of Diamond Shamrock's shares had already fallen from a peak of $21 at Friday's close.

Some Wall Street analysts speculated that the sharp price decline, the collapse of the merger plan and the desire of arbitrageurs to minimise their losses could make Diamond Shamrock vulnerable to a further takeover attempt.

In contrast, Occidental Petroleum shares jumped by $2½ a share to $26 a share in the first 1½ hours of trading yesterday, with 1.21m shares changing hands. Industry analysts had already given the proposed merger – under which a new company would have been formed through a one-for-one share swap which Wall Street valued at over $3bn – a lukewarm response at best. They had expressed doubts about the wisdom of the deal and whether it could be made to work.

Both companies were silent yesterday about the reasons why the corporate marriage was called off, leaving industry watchers to speculate on the bizarre affair. Most expressed the belief that the decision to abandon the deal was made by Diamond Shamrock and had stunned Occidental.

Some suggested serious differences between Dr Armand Hammer, Occidental's autocratic chairman, and Mr William Bricker, the ambitious chairman of Diamond Shamrock. They speculated that Mr Bricker became increasingly unhappy with the details of the deal, under which it is understood he would have had no role in running the new company and few senior Diamond Shamrock managers would have been retained.

Others suggested, however, that the deal was terminated because of concerns among both companies' boards – which met on Monday to consider the deal – about the merits of such a combination.

Norwegian line plans world's largest cruise ship

By Andrew Fisher, Shipping Correspondent, in London

A CRUISE ship longer than three football pitches and able to carry 5,000 passengers, is being planned by a Norwegian shipping company.

Klosters Rederi, which owns Norwegian Caribbean Lines (NCL), said it hoped to order the ship, which will dwarf the Norway, currently the world's largest passenger ship, by the middle of this year. The ship is expected to cost about NKr 4bn ($440m). Finance has to be arranged.

Because the largest of today's cruise ships carry no more than 2,000 people, the proposed NCL vessel – currently called the Phoenix project – would mark a huge advance in the capacity available to the market.

It would be aimed chiefly at the U.S. market, by far the largest in the world and centred mainly on the Caribbean. All the rooms would be above the hull in four accommodation blocks.

NCL already owns the Norway, formerly the France, and four other cruise ships. Last August, the Klosters parent bought Royal Viking Line, with three cruise vessels.

Several world shipyards are in the running to build the ship, which would cost more than twice as much as the Royal Princess, recently delivered to Britain's P & O Cruises at a cost of $150m.

The main contender is Howaltswerke-Deutsche Werft (HDW) of West Germany, whose Kiel yard has worked closely with Klosters on the Phoenix.

"The dimensions are just right for our dock," said Mr Klaus von Borstell, HDW's sales director. The Kiel yard, which employs 5,000 people, would have three years work with the ship.

Klosters is also including Wartsila of Finland, which built the Royal Princess, Kockums of Sweden, and South Korea on its list of possible builders, said Mr Oivind Andersen, technical director.

At 380 metres, the ship would be 70 metres longer than the Norway. It would be 210,000 gross tonnes in size – three times the Norway's capacity – and have a crew of 1,800.

The ship would contain recreational facilities such as tennis courts and gymnasiums. There would also be conference rooms.

To take passengers into port, the ship would have four tenders, each capable of taking 500 people. When at sea these would fit into the back of the ship, where the hull would be like a catamaran.

Money figures ease pressure on UK rates

BY PHILIP STEPHENS IN LONDON

PRESSURE for a rise in Britain's base lending rates eased yesterday after the publication of official figures showing a fall in the key money supply measure, sterling M3.

The Bank of England said that the measure fell by ½ a per cent in the banking month to mid-December, bringing its annual growth rate since February down to 10¼ per cent, just outside the Government's 6 to 10 per cent target range.

The fall was at the optimistic end of financial institutions' expectations, and the money markets reacted by marking down sterling interest rates, while prices for gilt-edged securities rose by up to 1½ points.

On the London Stock Exchange prices surged to take the FT Ordinary index 15.5 points higher to a record 971.2.

The pound, however, remained under pressure against other leading currencies, partly in response to a strengthening dollar, but also to sentiment that base rates seemed less likely to rise.

The authorities and the clearing banks will now be closely watching developments on the money and foreign exchange markets over the next few days to see if base rates can be held to 9½ to 9¾ per cent.

The Bank of England said that the money supply figures were still distorted by the effect of the British Telecom (BT) flotation at the end of November, which had sharply pushed up sterling M3 the previous month.

The fact that the measure is now within striking distance of its target range, however, has calmed some institutions fears that the money supply is growing too fast.

The figures show that bank lending during the month remained buoyant, totalling £1.5bn ($1.72bn). Most of the effect on sterling M3, however, was offset by a sharp turnround in public finances, with the proceeds from the BT sale helping to put them into a £1bn surplus.

The fall in the measure during the month, however, excludes the impact of the transfer of BT's assets from the private to public sector.

On the money markets the key three-month interbank rate fell to just over 10 per cent which, according to one senior banker, left the clearing banks "comfortable but not enthusiastic with the current level of base rates."

The banks would clearly like money market rates to fall further to restore their traditional profit margins.

The rise in the gilt-edged market allowed the authorities to resume funding operations for the first time in several weeks, by selling out the remaining official holdings of the 9¾ per cent 1998 Exchequer stock.

The narrow monetary indicator, Mo, grew by 1½ per cent in the month. It was, however, inflated by the effects of the BT issue and remained within its 4 to 8 per cent target range.

Lex, Page 12; Money markets, Page 33

GM to put low-cost car into production

BY PAUL TAYLOR IN NEW YORK

GENERAL MOTORS, the world's largest car maker, yesterday committed itself to producing a low-cost small car in the U.S. which will compete directly with the lowest-priced Japanese imports.

Mr Roger Smith, GM's chairman, said the Detroit motor group had set up a separate wholly owned subsidiary, called the Saturn Corporation, to turn GM's much-touted plans for a small car using new technology and a revolutionary production process into reality.

The announcement, which Mr Smith described as "an historic occasion," is seen as the first real indication that GM plans to go ahead with the multi-billion-dollar Saturn project and believes that, using modular construction processes, the latest production techniques and separate wage contracts to be negotiated with the United Autoworkers (UAW), it will be able to produce vehicles at substantially lower, competitive costs.

Mr Smith and other senior GM executives who yesterday drove prototypes of the new cars, would not give a specific price for the new cars or say precisely when they will go into production. Mr Smith said, however, that the new vehicles "will be competitive. It will be the most efficient plant site and most efficient way to build a car anywhere in the world."

GM said yesterday that:

- Saturn will operate as a totally independent GM division and will in-

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CONTENTS

EUROPEAN NEWS

'High-level approval' for action over Popieluszko

BY CHRISTOPHER BOBINSKI IN TORUN

THE LEADER of the group which kidnapped and murdered Fr Jerzy Popieluszko, the pro-Solidarity priest, told a Polish court here yesterday morning that he had believed the decision to put a stop to the priest's activities had been taken at the very least by a deputy minister in the Interior Ministry.

But, after a routine break in th hearing, former Capitain Grzegorz Piotrowsfil said that "during the whole period, I had no concrete proof that any high level decision existed" other than the instructions given him by former Colonel Adam Pietruszka, his immediate superior, who is also on trial.

Earlier, Mr Piotrowski had described a series of meetings starting in late September with Col Pietruszka, at the first of which the latter had said: "Enough of these games with Popieluszko and Malkowski (another dssident priest), we must undertake decisive steps against them which would bring them to the brink of a heart attack."

Mr Piotrowski added that Col Pietruszka had told him and another official: "They have to be given a final warning."

"I don't have to tell you, comrades, that this decision comes from the highest or a high level," Mr Piotrowski said he was told ,although he could not remember the exact words the colonel had used.

The distinction is an important one, as Mr Piotrowski, who chooses his words carefully, is very well aware. The word "highest" points a finger at General Czeslaw Kiszczak, the Interior Minister, who has publicly promised that he will make sure all the culprits are punished. A "high level" denotes the five deputy ministers in the Interior Ministry.

Mr Piotrowski said his conviction that the decision had been taken at a higher level than his own department came from his knowledge of "the men at the top of my department, as I knew whta calibre of decisions they were capable of taking, and in the past they had consulted much less important ones with deputy ministers."

The issue of ultimate responsibility stands faint hope of being resolved at the trial as Mr Pietruszka has pleaded not guilty and is unlikely to confirm his own part in the case, let alone name more names.

Mr Piotrowski spent the whole day yesterday painting a picture of his department, frustrated at its inability, following the amnesty for political prisoners in the summer, to put a stop to Fr Popieluzko's activities. He said that Col Pietruszka, noting that thet priest was travelling round the country delivering his sermons, kept on asking him when he was going to put a sotp to it.

The aim of the fateful October 19 incident, Mr Piotrowski said, was to kidnap the priest and keep him in an abandoned bunker in a forest to scare him into promising to abandon his political role. Once the plan started to go wrong and the priest tried to escape, Mr Piotrowski implied that they panicked and he was killed.

As early as May 1983, he had had an opportunity to arrest Fr Popieluszko with "a ton of illegal printed material on him," but he had failed to obtain Gen Kiszczack's agreement.

"It was a decision from the Minister; no detentions, no house searches," Mr Piotrowski said, adding that by autumn 1984, he and his superior felt "that nothing could be done.

"If the law had been applied to Jerzy Popieluszko then neither I nor Pekala nor Chmielewski would have found our way to this court," he said.

Piotzowski in court: "No concrete proof."

Outlook for inflation worsens in Yugoslavia

By Aleksandar Lebl in Belgrade and David Buchan in London

PROSPECTS FOR the Yugoslav inflation rate have taken a turn for the worse this month, with removal on January 1 of most price controls. Many manufacturers have raised their prices and electricity and petrol prcies have been increased by 33 per cent and 15 per cent, respectively.

The 1985 inflation rate threatens to exceed last year's when retail prices rose 52.4 per cent and the cost of living index, which comprises such factors as rents, increased by 46 per cent.

This worrying news comes as Yugoslavia yesterday started a final round of talks in London with its commercial bank creditors on terms for rescheduling some $3.4bn *in debt falling* due by the end of 1988.

Western governments have said they will only reschedule due payments to them year by year, but both groups of creditors have made any rescheduling conditional on Yugoslavia reaching a new standby credit arrangement with the International Monetary Fund. The current standby expires on March 31.

Under IMF pressure, Belgrade grudgingly and gradually liberalised prices *last year, culminating* in the January 1 decontrol measures.

The IMF has argued that only by this means can the many administrative distortions in Yugoslavia's price structure be ironed out, and IMF officials have expressed relief that at least the "hyper-inflation" forecast by many observers last year has not yet occurred.

Mrs Milka Planinc, the Prime Minister, was herself predicting late last year that prices might rise in the first half of 1985 at an annual pace of 70 per cent, but by year's end would fall back to the 1984 level, which itself was lower than in 1983.

However, government action to finance higher budget spending with tax increases could help invalidate her forecast. Turnover tax has been increased on many goods.

At the same time, some Yugoslav manufacturers, fearful of being caught by another price freeze, have been increasing prices by more than strictly necessary to cover rising costs, even though they may not be easily able to sell these higher-priced goods at home or abroad.

The Government has done nothing to discourage such fears by giving itself the power to reintroduce controls and freeze prices.

Housing starts reach lowest level for 30 years in France

BY PAUL BETTS IN PARIS

FRENCH HOUSING starts fell to their lowest level in 30 years in 1984 and employment in the domestic housing sector dropped below the important benchmark of 1m jobs.

The Federation Nationale du Batiment (FNB), the housing industry association, said in a report published last night that prospects for the sector continued glum for the next 12 months.

This worrying situation in a key sector of the French economy has prompted M Jacques Brunier, the FNB's new president, to ask for a meeting with President Francois Mitterrand. This is scheduled for Friday when he will seek support for the industry.

Housing starts declined by 10 per cent to 300,000 last year *compared with* 332,000 in 1983, according to the FNB's provisional figures. This is the lowest level since 1955 when they totalled 282,400.

They have been steadily declining in France, over the past ten years from 540,000 in 1974. The FNB expects the figure to continue to drop this year by about 5 per cent.

The decline has been paralleled by an alarming drop in jobs in the French housing sector. Employment fell by 60,000-70,000 jobs last year to a total of about 950,000 last year, acording to the FNB.

The sector, whose overall activity including *new buildings* and conversions declined by 4 per cent last year compared with 1983, has suffered the single largest loss of jobs of any other French industrial sector.

The troubles have also been matched by the recession in the public works sector hit by domestic budgetary restraints and a fall in large export orders. The building industry is now pressing the Government for financial moves to support the domestic housing and construction market and for measures to help building companies to adapt their workforce levels more rapidly to their order books.

Plea for free trade in Europe

By Paul Cheeseright in Brussels

EUROPEAN BUSINESSMEN yeserday greeted the arrival of a new Commimssion at the EEC with a ringing demand for the removal of internal trade barriers and a further strengthening of the European Monetary System.

A memorandum embracing these and other proposals for making the EEC more effective was presented to M Jacques Delors, who took over as President of the Commission on Monday, by a delegation from Unice, which groups the employers' federations of the Ten.

The general tone of the memorandum was embraced by the statement, "What is needed is less state intervention and more freedom of action."

This line has consistently been pursued by Unice. It finds expression in the memorandum in demands for scrapping border foramalities, harmonising standards, ironing out differences in transport policy and lifting obstacles to the free movement of capital. Unice is also pushing for free trade in services within the Community.

"Greater monetary stability is an essential component of a unified economic area," said Unice. It considers strengthening the European Monetary System a high priority and it wants more extensive use of the Ecu.

To some extent, Unice is preaching to the converted. The last Commission broadly followed this line, and sought to use the French lorry drivers blockade of last February as a catalyst for more rapid action from ministers.

The same line is likely to be followed by M Delors, whose devotion to the European Monetary System is well-known. The barrier to the execution of these policies has rather been the Council of Ministers.

Unice's members will press the policies on national governments, the meorandum said.

Sweden buys mini-submarines to test defence

By David Brown in Stockholm

SWEDEN CONFIRMED yesterday that it has bought two miniature submarines from Yugoslavia in an effort to improve its coastal defence system.

The submarine "scooters" are now being used in training exercises to test Sweden's anti-submarine defences which have repeatedly been penetrated by foreign ships in recent years, a navy spokesman said.

The two vessels, a one-man and a two-man version, cost some SKr 7m (£680,000) and were delivered from a yard in Split last summer. They are built of aluminium and plastic and have silent electric motors.

Since the "Whisky on the rocks" affair in 1981, when a Soviet nuclear-armed Whisky-class submarine ran aground in restricted waters outside the Karlskrona naval base after "navigational malfunctions," Sweden has been unable to force a single foreign intruder to the surface, despite a number of confirmed detections and several intensive search operations.

Similar miniature vessels are thought by the Swedish military to have been used by intruding navies during several earlier incidents, not least the large submarine hunt around Karlskrona early last year when the navy confirmed the landing of one or more foreign frogmen on Swedish soil.

The navy is strengthening its forces with six mine hunter vessels with high frequency sonar (to be delivered this year), and seven anti-submarine equipped helicopters.

Italy's presidential race under starter's gun

BY JAMES BUXTON IN ROME

ITALY YESTERDAY began officially the countdown to one of the most important events in its political life: the election of the President.

The term of office of Sig Sandro Pertini, who is 88, expires on July 8. But for the six months between now and then, the President is deprived of his power to dissolve Parliament. There cannot, therefore, be a general election.

This means that the five-party coalition of Sig Bettino Craxi, the Prime Minister, stands a good chance of becoming one of the longest-serving in Italy's post-war history. The fact that an election cannot be held greatly reduces the options available in the event of the Government falling and increases the Socialist Prime Minister's bargaining power.

The Craxi Government, which came to power in August 1983, is already the tenth longest living of the 43 administrations Italy has had since the War. If it were to last until the end of Sig Pertini's term of office it would become the third longest.

In practice, its fate depends heavily on the regional elections set for May 12. Since the entire electorate will be voting and since the regions have considerable power, these are scarcely less significant than a general election.

They will be followed from June 8 onwards by the process of electing a President which is limited to the two houses of Parliament. Since the president can enjoy a seven-year term, the post is always highly sought after.

It has become even more attractive thanks to Sig Pertini's remarkable tenure. His enormous personal popularity and his ability to express the hopes and fears of most Italians have given the post an influence it never had before.

Though Sig Pertini has not stated his intentions clearly, it is widely believed that he would not refuse if invited to stand again. As long as he does *not rule* himself out it remains difficult to mount a campaign among MPs for the election of anyone else.

The re-election of Sig Pertini would mean Italy having a second-term President for the first time, and one who would be 95 at the end of his term.

If he does not stand, the job is likely to revert from the Socialist Party, of which he is a member, to the Christian Democrats. Among the Christion Democrat names mentioned is that of Sig Benigno Zaccagnini, the 72-year-old former party leader, who, like Sig Pertini, is a man of unquestioned probity.

Other possibilities are Sig Arnaldo Forlani, a former Prim Minister who is currently Deputy Prime Minister and deputy leader of the party, and Sig Francesco Cossiga, another ex-Prime Minister who is now president of the Senate.

● ITALY'S SECOND largest bank, Banca Commerciale Italiana, yesterday cut its lending rate for prime borrowers from 18 to 17 per cent, writes James Buxton. It is the biggest bank so far to cut its prime rate following last week's reduction in the officiol discvount rate from 16.5 to 15.5 per cent.

Istituto Bancario San Paolo di Torino has established the lowest prime rate of any major bank by cutting its rate by 1.25 points to 16.5 per cent. Most other banks to have cut their rate have brought it down to 17 per cent.

Ray of hope amid jobless gloom in West Germany

BY JOHN DAVIES IN FRANKFURT

THE NUMBER of unemployed in West eGrmany rose again last month, but there were also some slightly hopeful signs of improvement.

While the country's economic recovery is going ahead at a moderate pace, the impact on jobs is still only limited and unemployment is expected to *remain relatively high* in the near future.

The number registered as jobless rose by 136,000 during December to 2.325m, or 9.4 per cent of the workforce. But the position was a little better than a year ago, when West Germany had 2.349m unemployed, or 9.5 per cent.

In line with the seasonal pattern, unemployment has risen steadily since September, *when 2.144m* (8.6 per cent) were registered for jobs.

The Federal Labour Office said yesterday that the increase last month was less than might have been expected for the time of year and represented a marginally improved picture once figures were adjusted for seasonal factors. The particularly mild weather in December also helped to keep down the number of unemployed in outdoor occupations.

One of the clearest signs of West Germany's economic recovery is the drop in the number of workers on short time during the past year. The number rose by 11,000 to 268,400 last month, but nearly twice as many workers were on short time a year ago.

There has also been an improvement in youth unemployment over the year. While the number of young people registered for jobs rose by nearly 7,700 to 162,900 last month, this was still 27,800 fewer than a year earlier.

Nevertheless, the rigidity in unemployment is continuing to cause serious concern to the Government in Bonn. Although the economy has been on an upward path for the past two years, unemployment has remained well above the 2m level.

While new jobs have been created in some industries, such as motor vehicles and chemicals, many companies are looking closely at prospects for rationalisation and automation.

West Germans were the world's top spenders on foreign travel again last year, Reuter reports from Bonn. Estimates published by the Government yesterday showed more than half of West Germany's 61m population took a holiday last year and more than 22m trips were abroad, 1m up on 1983. But travel spending in foreign currency was unchanged at DM 39bn (£10.7bn) and holidaymakers were choosing cheaper accommodation, spending less on extras and staying fewer nights at their resorts.

The huge outflow of cash for foreign travel is expected to be more than offset by a *record trade surplus* in 1984.

Christian Democrats tackle crisis in Sicily

BY ALAN FRIEDMAN

THE SECRETARY of Italy's Christian Democrat Party, Sig. Ciriaco de Mita, flies to Sicily today in an attempt to resolve the party's crisis on the island.

This has been brought about by a series of unsuccessful local governments, he Christmas-time resignation of the regional president of Sicily and by the recent arrests of local party members accused of criminal association with the Mafia.

The arrests, in particular, have proved highly embarrassing to Italy's long-ruling Christian Democrats, who form the leading party on the island.

Sig de Mita, is expected to to preside over the election this afternoon of a new regional party secretary. That post will go to Sig Lillo Mannino, a former Argiculture Minister and MP.

He said yesterday thath is first priority would be the selection of regional president anda ssembly. He promised to work with Sig de Mita "to liberate our party from the risk of Mafia infiltration," but added that, in his view, "the Mafia in Sicily is now stronger than the state."

Sicilian politics, which in large part revolves around power struggles within the Christian Democrat Party, has never recovered from the assassination in September 1983 of General Carlo Alberto dalla Chiesa, the Rome government's special high commissioner against the Mafia.

In the past year there have been a string of mayors in Palermo, the Mafia stronghold. At present, the city is without a government and is being ruled by a special commission.

Sig Leoluca Orlando, the vice-commissioner of Palermo, said yesterday that, despite recent arrests the Mafia continues to "exert rigid control over Palermo." With a large drug smuggling industry to look after, the Mafia had no time to cultivate political contacts. any longer, he said.

Instead "the Mafia moves quickly here. It buys politicians and, if someone is not for sale, he is killed."

Sig Orlando, one of Sicily's more courageous Christian Democratic politicians, explained that Palermo city governments have been paralysed mainly because any mayor who takes a decision to award a contract to a local company risks the wrath of the Mafiosi who do not get the contract.

As a result the city's infrastructure is left unattended and less than half of Palermo's annual budget is spent.

Central bank base rate cut in Finland

By Lance Keyworth in Helsinki

FINLAND IS to cut its central bank base rate by half a point to 9 per cent from February 1, the first change since July 1983. Most bank lending and deposit rates will be adjusted similarly.

Mr Rolf Kullberg, governor of the bank, said that with inflation declining "this seemed a suitable time to *adjust the base rate.*"

Political and other pressure has been growing on the bank to slacken the tight reign it has maintained on monetary policy for nearly two years. Mr Kullberg said however: "We will continue to proceed cautiously and in small steps."

The bank's own call money rate has been reduced gradually from 17.5 per cent at the *beginning of 1984 to* 14.8 per cent at the end of the year.

GDP last year may have grown by only just over 3 per cent instead of the 4 per cent widely forecast.

Hungary shrugs off satellite TV fears

BY LESLIE COLITT IN BERLIN

HUNGARY, as usual the maverick, *is taking* lightly the growing fear among other East European governments that Western countries plan to beam satellite television programmes into East European homes.

A Hungarian newspaper noted that the "competition from space" would leave domestic television with only one alternative, "to make its programmes *more appealing.*" Other Warsaw Pact counfries are less sanguine.

They fear that East European language programmes from, for instance, the Voice of America, the BBC, and Radio Free Europe would totally undermine their own control of the mass media. Western television, unlike short wave radio, cannot be jammed without affecting the East Europeans' own broadcasts.

East Germany, already blanketed by West German radio and television has hit out against alleged Western *plans to use "communications imperialism"* against Eastern Europe. An article in the government publication, Horizont, is illustrated by a communications satellite in the shape of a pistol with a white star on it and the words "anti-Communism."

The article says the Third World and Communist countries have expresed opposition within Unesco to direct satellite television transmissions into countries which object tothem. As long as the West's "psychological warfare" is being stepped up against Warsaw Pact countries, it says, the expansion of "imperialist information" into Asia, Africa and Latin America cannot be stopped.

The advent of teletex (viewdata) in West Germany has already raised the prospect that East Germans in coming years will also be able to plug into Western information services. East European correspondents in East Berlin subscribe to the system operating in West Berlin.

None of this seems to bother the Hungarians, however. The Hungarian newspaper notes that many people have antennas enabling them to receive Austrian and West German stations. It also points out that the parabolic aerials and special electronics needed to reiceive satellite television programmes are also being developed in Hungary.

Refining capacity set to fall below 100m tonnes

BY PETER BRUCE IN BONN

WEST GERMAN oil refining capacity will almost certainly fall below 100m tonnes this year, following Mobil's decision this week to mothball its large Wilhelmshaven refinery from March 31.

The refinery, which employs some 300 people, is the most modern in the country. Built just eight years ago, at a cost of some DM 1bn (£276m), to produce a potential 8m tonnes of refined products a year, the plant is the most recent victim of a sharp fall in West German refining capacity.

In a letter to employees, the Mobil board said it had offered the refinery to the government *of Lower Saxony, which had* earlier set aside its Christian Democrat free market principles and fought Mobil's plan to close the plant completely. The Lower Saxony authorities have not reacted openly to the offer, but observers said yesterday it was highly unlikely it would be taken up.

It is possible, however, that Frau Birgit Breuel, Lower Saxony's Economics Minister, will seek other possible partners to keep the refinery going. The CDU government in the state has made clear that it wants to retain Wilhemshaven as a refinery site, especially as it is a deep water port with easy access from the North Sea.

West German refining capacity has fallen to around 106m tonnes a year from some 160m in 1978. Mobil's decision in the face of shrinking demand, especially from its U.S. parent, was reached after a series of negotiations with employees, who have agreed, along with the "mothball" compromise to the introduction of a redundancy plan.

Neutral Switzerland takes new look at the role of the army

Anthony McDermott, on manoeuvres with bicycle and tank troops, detects a changed attitude to defence

SWITZERLAND has always been proud of the strictly neutral stance which has kept it out of foreign wars since 1815. But recently Lieutenant General Jorg Zumstein, Chief of General Staff and the country's most senior soldier, has implied that a more pragmatic view might be necessary in times of crisis.

Previously, he has referred only to the inadequacy of the country's equipment. In his more recent statements, he has laid emphasis not just on improved arms but also on the will to fight, as demonstrated by troop morale and a somewhat more adventurous foreign policy.

The General also made the point that, as arms become more sophisticated and early warning times shorter, it could become necessary to expand the size of the professional army over the next 15 years.

The Swiss army is based on being able to mobilise about 625,000 troops within 48 hours. Service is compulsory for men and the army depends on the intake of 40,000 recruits a year and about 400,000 reservists on annual refresher courses to back up the tiny pool of 3,000 professional soldiers.

Attitudes to defence are changing. The 1984-87 arms procurement programme has had to be reorganised following the purchase of 380 Leopard 2 tanks from West Germany and, more intriguingly, a national referendum has rejected civilian service as an alternative army duties. Two committees have been set up by M Jean-Pascal Delamuraz, the Defence Minister, to study the question of conscientious objectors.

The number of objectors, compared with recruits, is small—745 in 1983. But it is causing concern, having risen steadily from 354 in 1980. Objectors to military service receive prison sentences of about six months and, given the standing and prestige, of the Swiss army, bear a social and political stigma thereafter. They are even excluded from certain careers.

But two days spent on manoeuvres, with recruits, first from the Bicycle Troops and then from the more elite Tank Corps leave a strong impression that Swiss 20-year-olds see it largely as a valuable and character-forming experience.

"It will also help me later in my civilian career," said one tank corporal (tipped to become an officer by one of his seniors). Of the 17 week induction course, another soldier said, "we may not like it at first, but we get used to it and perhaps even enjoy it at the end."

It brings together a wide variety of backgrounds. As an officer reviewed a platoon of bicyclists they were required to name their professions or studies: "engineer . . . machinist . . . medical student . . . private pilot . . . ski instructor . . . sales manager . . . electronic engineer . . . dentistry student . . ."

There is little doubt that the training period is tough. Those recruits who thought that going for the Bicycle Troops would be a softer option than the infantry must now be thinking again. By the end of training they will have covered more than 3,000 km, often carrying machine guns and mortars in loads up to 40 kilos.

Bicycles may look unwieldy when lying down on their sides for troops' inspection parades. But they move quietly and swiftly across the central, flat heartland of Switzerland, where key defensive battles might have to be fought. The exercise was arduous, with live ammunition in a bleak narrow valley dappled with snow at up to 1,900 metres at Iffigenalp in the Bernese Oberland.

Ammunition was not spared, a fact magnified by the echoes ringing round the mountains. One officer estimated that the twice-run, 20 minutes exercise of retreat in front of an enemy tank force before positions were retaken cost SwFr 20,000 (£6,536) in ammunition. (In a year, the army spends SwFr 100m.)

The repeat exercise was abruptly ended when one recruit was injured by rock chips caused by a grenade. He was carried painfully down the mountainside to an ambulance. The ambulance travelled past the barracks, where sleeping bags were laid out in stalls where the cattle spend the winter after grazing in the upper pastures.

Tank training is a somewhat different proposition. Unusable terrain and inhabited areas mean there is a limited number of areas where mechanised vehicles can move with the freedom of a Nato Lionheart exercise.

One of three areas consists of 2,900 hectares in hills around Petit-Hongrin, wholly owned by the Government and 15 km south-east of Montreax. Here the army has built a network of paved roads for driving practice, and firing positions from which troops are able to bombard targets up to three or four kilometres away on hill and mountainside.

Again, in their first experience of live firing since they began training some 15 weeks earlier, tank recruits were allowed an almost profligate quantity of ammunition. At the peak of one afternoon up to 50 somewhat aged P3 61 and P3 68 Swiss-made tanks (the number designates the year in which parliament allocated funds for their construction) were pounding away non-stop from several firing points.

The major who is deputy of the tank training school made wry faces and wiggled his fingers in disapproval at their performance but concluded "in the end they will be all right."

They had better be. For as the recruits themselves openly acknowledge "after the pilots and the 'grenadiers' (special forces) we are the elite." Along with the bicyclists they will be defending the central plains of Switzerland, should an invasion by land get that far.

Of all the issues raised by General Zumstein manpower, *recruitment* and motivation remain at the heart. Deliberately, civilian bakers are employed (most effectively, it must be said) in the catering corps, the electronics engineers in serving the sophisticated Leopard Two systems, and Swissair pilots in the air force.

But the Leopard tank is already making demands which will require a larger band of permanent back-up servicing staff than before. Non-professional pilots are having to do about 40 days' training each year, roughly twice the average period of "refresher" courses required annually of soldiers.

Already there is discussion of expanding pilots' training period to 60 days. General Zumstein has also identified the intelligence and security forces and the protection of vital installations as sectors in which there is a need for more "professionals." He would seem already to have acknowledged the need for change. "There is no longer," he said recently, "an isolated case called Switzerland."

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هكذا صدر الأصل

Probe sought into collapse of Israeli bank shares

BY DAVID LENNON IN TEL AVIV

THE PRESIDENT of Israel's Supreme Court, Chief Justice Meir Shamgar, was formally requested yesterday to establish a judicial commission of inquiry into the collapse of the shares of the commercial banks in October 1983. The request was made by the chairman of the Knesset State Control Committee.

Hundreds of thousands of small investors lost substantial parts of their savings when a run on bank shares in the autumn of 1983 led to a 50 per cent drop in the value of the quoted shares of the commercial banks on the Tel Aviv stock market.

Justice Shamgar is expected to decide within a few days on the composition of the commission and its terms of reference.

The public hearings are likely to be extremely embarrassing for Israel's commercial banks, and especially their senior executives who have so far resisted calls for their resignation.

Parliament's decision to request a judicial commission of inquiry comes in the wake of a recent highly critical report by the state comptroller about the behaviour of the Treasury and other state bodies in the share scandal. The Knesset committee wants a wide ranging investigation of the events leading up to the share collapse.

Meanwhile, the Attorney General's Office has filed suit against the Israel Discount Bank, Barclays Discount Bank and two diamond merchants charging that they defrauded the Bank of Israel of millions of dollars through the abuse of *Government subsidised credits.*

The accused face three charges of fraud and conspiring to defraud in the suit which has been filed in the Tel Aviv District Court.

The Discount Bank and Barclays Discount have denied the charge that they behaved improperly. They insist that they acted in a bona fide manner, and in accordance with the regulations of the Bank of Israel.

The Bank of Israel makes subsidised credit available to diamond dealers and merchants to finance polishing and trading. But the Attorney General has now accused the two merchants of abusing this privilege to borrow more from the banks than they were entitled to receive.

The charges of fraud are being brought against Mr Ben-Zion Fuzailoff, a vice-president of the Israel Diamond Exchange, and his brother Pinchas, his partner in Paz Diamonds Israel.

Another case is currently pending against the four leading banks and their chief executives on charges of forming a cartel last year to reduce interest rates paid on negotiable certificate deposits.

Ethiopia news release defended

BY OUR TEL AVIV CORRESPONDENT


Mr Peres: accepts responsibility for publication

MR SHIMON PERES, the Prime Minister, told the Knesset yesterday that Israel would continue its efforts to bring Ethiopian Jews to Israel. "The enormous effort which has already been set in motion will not cease. The difficulties will not cut off this immigration," he said.

The secret airlift to rescue the Jews from famine-stricken Ethiopia was halted on Sunday following world-wide publicity of the dramatic operation which had brought over 7,000 Jews to Israel since the beginning of November.

Israel has been actively seeking alternative arrangements following the decision by a Belgian charter company to halt its mercy flights from Sudan to Israel.

Mr Peres sai dthat neither economic nor internal problems, nor the distance involved would prevent Israel from rescuing the rest of Ethiopian Jewry and bringing them to Israel.

About 4,000 Ethiopian Jews are believed to be in Sudanese refugee camps awaiting transport to Israel. As many as another 6,000 Jews are still in Ethiopia.

The most important problem facing the Parliament and the nation is how to continue the extraordinary operation and bring it to a successful conclusion, the Premier told the Knesset.

The dramatic mission, code-named "Operation Moses," had been kept secret for two months because of the possible adverse reaction of the Arab states.

Responding to domestic criticism of his decision to confirm the growing rumours about the rescue operation, Mr Peres said that he had only approved the publication of the information "*in order* to place it in the correct context," after he heard the news had been published world-wide.

The Premier made his statement to the Knesset after two Opposition parties had tabled motions of no confidence in the Government for having revealed news of the rescue. In return for the Premier taking responsibility for the publication, the motions were withdrawn.

Meanwhile, the Defence Ministry in Tel Aviv decided yesterday that Israel would not attend the next scheduled meeting of the Israel-Lebanon negotiations over an Israeli withdrawal from Lebanon.

Officials said the talks were not beingk cancelled but in the *light of the Lebanese stance, it* was decided to seek guidance from the Government before resuming discussions.

U.S. priest seized in rising Beirut crime wave

By Nora Boustany in Beirut

THE UPSURGE of mysterious kidnappings and the rising crime wave in mostly Moslem West Beirut has claimed two more victims. An American priest was abducted at gunpoint by a band of gunmen yesterday and the body of a senior French military observer was found the night before.

Father Lawrence Martin Yenco, the director of the U.S.-based Catholic Relief Service (CRS), is the second American religious figure to be kidnapped in West Beirut in less than a year. The Reverend Benjamin Wehr, an elderly Presbyterian minister, was seized last May and is still missing.

On Monday night, Lieutenant Colonel Claude Cueno, 45, deputy commander of the French military observer force, was found shot dead at the west end of the Museum crossing with one bullet wound in his head.

The 80-man French observer force has been supervising a shaky truce along the volatile green line bisecting Beirut and monitoring the fighting between rival Christian and Druze militias in the hills above the capital.

The discovery of Lt-Col Cueno's body coincided with the release of the Swiss charge d'affaires Mr Eric Wehrli, who was kidnapped last Thursday. He was set free with the help of the mainly Shiite Moslem Amal militia. He had been abducted by family members of *Hussein Al Atat, a Shiite Mos*lem activist who was arrested at Zurich airport last November for carrying explosives on his way to Rome.

Yesterday's developments were the latest in a series of kidnappings, car thefts, robberies and shootings which are thought to have been triggered by the severe economic crisis and the virtual absence of Government authority in West Beirut. The Shiite Amal movement and the Druze Progressive Socalist Party have the largest, most powerful militias in the area.

Abductions have become so frequent that it is difficult to trace any logic or pattern to the motives of the kidnappers. Car theft always appears to be *the primary reason, but politi*cal pressure by Beirut's assortment of armed groupings is not to be ruled out.

Iran raises oil prices to Opec levels

BY RICHARD JOHNS

TEHRAN confirmed yesterday its wish to abide by the Organisation of Petroleum Exporting Countries (OPEC), official oil pricing structure as Iraqi air*craft struck again at another* vessel servicing Iranian ports.

Iraqi aircraft hit a second freighter in successive days, the 11,367-ton vessel Hanlim Mariner. Two of the crew were injured and described as "emergency cases" in an attack which took place about 130 miles south of Kharg Island according to the co-ordinates given by the ship's captain.

An Iraqi military spokesman in Baghdad said: "Our Eagles scored direct and effective hits on a large naval target" near Kharg Island, Iran's main oil terminal. There was no confirmation of Iraq's claim to have atacked successfully two *other vessels.*

In the face of indications that Iraq is resuming an intensified campaign against Iran-bound shipping, Tehran yesterday gave an indication that it intends to offer rebates for increased shipping and freight costs for transporting its oil rather than offering straight discounts.

Mr Abbas Honadoust, Iranian Leputy Miniser of Oil, said hat Iran was realigning prices with the rest of Opec with Iranian Light going up by $1.11 to $29.10 and Iranian Heavy from 45 cents to $27.55.

In increasing official selling rates Iran would eliminate the discrepancy in its prices compared with the rest of Opec in existence since the March 1983 pact on prices and production when other members agreed to let it set lower prices to compensate for higher insurance and freight charges.

Iran intends to deducts an amount equivalent to higher costs, Mr Honadoust said yesterday. Transportation costs of its oil should be the equivalent to those from Ras Tanura, the main Saudi Arabian oil terminal.

Prior to the 1983 accord Iranian Light was priced 10 cents per barrel above Arabian Light, Opec's reference which is *set at $29.*

Oil traders are sceptical, however, whether Iran's customers would be satisfied with such a rebate and believe that they will continue to seek a more substantial discount to set against the increased risks of lifting Iranian oil. Insurance premium rates for hulls and cargoes rose steeply last month in response to intensified Iraqi attacks. They fell subsequently but still mean an extra cost of $2-$3 per barrel for oil shipped from Kharg Island to Europe.

Australian investment set to rise

BY MICHAEL THOMPSON-NOEL IN SYDNEY

MR BOB HAWKE'S Australian Labor Party Government, which won re-election last month, was cheered yesterday by publication of an official survey predicting that private capital investment in 1984-85 would rise by 17 per cent to A$15.7bn (£11bn), or by about 11 per cent in real terms.

Improved business investment has been the missing ingredient in the Australian recovery to date, so the Bureau of Statistics survey—if borne out by events—signals an important breakthrough for Mr Hawke and his policies.

Fixed private capital expenditure in the September quarter fell by 3.1 per cent, but is expected to have rebounded by about 5 per cent in the December quarter.

Labor's pay and prices pact with the Australian Council of Trade Unions has helped secure a big reduction in inflation, helped boost employment, taken the steam out of interest rates and dramatically reduced the number of industrial disputes.

If it now produces a long awaited surge in private investment, Mr Hawke's hand will be strengthened, despite the disappointing December 1 election result in which Labor's majority was cut by an unprecedented muddle over voting procedures. ...

● *Preliminary* figures compiled by the Government indicate that Australian oil explorers drilled a record 373 wells last year, at a probable cost of almost A$800m. Discoveries totalled about 200m barrels, with significant finds off the north east coast of Western Australia, and in the Timor Sea.

Major oil and gas projects worth about A$3.8bn were completed, including the first stage of the North West Shelf natural gas project,

Somalia devalues

MOGADISHU — Somalia has devalued its currency by 28.96 per cent and is tightening up on imports, Finance Minister Mohamed Sheikh Osman said yesterday.

He said that Somalians would no longer be allowed to import goods bought abroad because the tendency had been to buy luxury items such as televisions and radios and sell them at exorbitant prices in Somalia. Importers would now have to obtain letter of credit.

The minister said that the new exchange rate of 36.6 shellings to the dolar, from 26 previously, would apply to government *spending outside the* country and to commodity imports channelled through the central bank. Reuter

Morocco to discuss debt rescheduling with donors

BY PAUL BETTS IN PARIS

MOROCCO is expected to seek indications of new financial aid commitments from Western donor countries and discuss a new rescheduling of its debts at a three-day meeting of its Western aid consortium.

It is the first time in 10 years that the Morocco aid consortium chaired by the World Bank has met. The session was requested by Morocco to discuss with its Western donor countries and international financial and development institutions the North African kingdom's current economic *adjustment* programme.

However, the meeting starting today will not be a formal loan pledging session, World Bank officials said yesterday.

The issue of a new rescheduling of Morocco's debts is expected to be raised at the meeting. Indeed, Morocco is planning to seek a new rescheduling of its debts from the so-called Paris Club of Western creditor countries later this year.

World Bank officials indicated yesterday that Morocco's overal debts totalled about $13bn. The new rescheduling follows the agreement in autumn 1983 by western creditors to reschedule 85 per cent of the $1.5bn worth of government-to-government debt woned by the Kingdom falling due by the end of last month.

2,000 companies close down *in Philippines*

THE FOREIGN exchange crisis in the Philippines has forced more than 2,000 local companies to shut down last year, **Emilia Tagaza reports from Manila.** The Ministry of Labour and Employment said the shutdowns more than doubled the number of companies that had closed the previous year, and have resulted in more than 86,000 workers losing their jobs.

The Labour Ministry said that out of the 2,134 companies that closed down last year, 195 have completely stopped their operations. The rest were only temporarily closed mainly because of their inability to import raw materials.

Local Businessmen, however, said number of shutdowns is greater than the ministry has reported.

Fuel prices cut

The Philippine Government announced yesterday an unprecedented reduction in fuel prices in a move that it said should bring down the inflation rate, **AP-DJ reports.**

The price reductions, averaging about 2.5 per cent, affects petrol, kerosene, diesel oil, and liquefied petroleum gas. Under

Taiwan investment up

Foreign investment in Taiwan hit a record high of nearly $560m last year, with a surge of capital from the U.S., Hong Kong and Europe, Economic Ministry officials said yesterday, **Reuter reports from Taipei.** Investment totalled $404.7m in 1983.

AMERICAN NEWS

Our Washington staff assess the implications of a job swap for two of President Reagan's top aides

Poll shows Reagan popularity at high level

By Our U.S. Editor

NEARLY two-thirds of Americans approve of President Ronald Reagan's handling of the presidency, his highest rating since the early weeks of his first term four years ago, according to a New York Time/CBS News poll published yesterday. It was the first such poll since Mr Reagan's landslide re-election victory in November.

The poll showed 65 per cent overall approval for Mr Reagan, well up from his 58 per cent rating in the previous poll in October. Approval of his conduct of foreign policy (54 per cent) and his handling of relations with Moscow (60 per cent) was also notably higher than just before the election.

The pollsters said that Mr Reagan's approval rating, while less than President Dwight Eisenhower's after his re-election in 1956, was considerably higher than President Richard Nixon's after his re-election in 1972.

Mr Reagan's political support was so broad that he even received approval from 51 per cent of those claiming to be "liberals," from 30 per cent of blacks and from 20 per cent of those who voted for Mr Walter Mondale, the Democratic challenger, in November, the poll said.

The poll nevertheless showed deep scepticism over whether Mr Reagan would achieve an arms agreement with the Soviet Union in his second term, although three quarters believed that he is sincerely trying to do so. Only 27 per cent said that they thought an agreement could be reached in four years, 36 per cent said that it would take at least five years and 14 per cent said that it would never happen.

Fifty-five per cent blamed both the Soviet Union and the U.S. for the failure to reach any new arms agreement since 1979, while 51 per cent doubted that Moscow really wanted an agreement now. Fifty-nine per cent said that they did not think the Soviet Union would live up to a new arms agreement

James Baker: Power behind the scenes

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

MR JAMES A. BAKER III, the new U.S. Treasury Secretary, is a slim, athletic six-footer from Texas who belies his smooth "Ivy League" looks with a penchant for country music, cowboy boots and chewing tobacco. As White House Chief of Staff for the past four years, he has also been one of the most powerful men in Washington, though one of the most reserved and unobtrusive.

At the White House, the 54-year-old Mr Baker has often seemed something of an anomaly — a "moderate" pragmatist surrounded by Reaganite ideologues. He has been described as "a lone Texan among a cadre of Californians, an outsider among insiders, a born-to-the-manner millionaire among middle class advisers."

But his renowned organisational skills quickly won him the pre-eminent position in the Troika of close advisers with whom Mr Reagan started office—the two others being Mr Reagan's long-time California associates, Mr Edwin Meese and Mr Michael Deaver.

With both the other two soon to leave the White House, Mr Baker's power looked like becoming virtually unassailable, a particularly distressing development to the many of Mr Reagan's Right-wing supporters who have long distrusted Mr Baker. Their anxieties were only heightened by last week's decision from Mr William Clark, another of Mr Reagan's close conservative California cronies, to resign as Interior Secretary to return to his ranch.

While impressed by his talents, the Right-wingers had never reconciled themselves to Mr Baker's White House role. Once officially a Democrat, although admittedly a conservative one, Mr Baker was long associated with the moderate wing of the Republican Party which owes allegiance to Vice-President Bush.

A former Marine officer, Mr Baker started working for Mr Bush in Texas in 1970. Appointed Under-secretary of Commerce in 1975, he resigned to play a major role in helping former President Gerald Ford narrowly to defeat Mr Reagan for the 1976 Republican Presidential nomination. He then masterminded Mr Ford's remarkable recovery from 30 points behind President Jimmy Carter to near-victory in that year's election.

His next political move on the national scene took the form of another major challenge to Mr Reagan as manager of Mr Bush's unsuccessful campaign for the 1980 nomination. Most Washington observers were astonished when he emerged in the plum White House job after the election.

For two years now he has been letting it be known that he would like another job—preferably at Cabinet level

The qualifications he brings to the Treasury are administrative skill and political flair. Trained as a corporate lawyer, after taking a degree in classics at Princeton, he has no real background in economics or finance.

He is widely credited, however, with getting Mr Reagan's initial tax- and budget-cutting legislation, the foundation-stone of Reaganomics, through Congress in 1980-81. According to Mr Donald Regan, with whom he now swaps jobs, "Baker never left his desk, but he told the President when to play the good guy, when to play the bad guy, when to call a Senator or Congressman who might be wavering."

It is precisely those skills that he will now need at the Treasury. In the coming months his new job will mainly involve delicate negotiations on Capitol Hill, not only on the budget but on the major package of tax reforms that he inherits from his predecessor.

Thereafter, says one of his friends in the Administration, "he is going to be a major force on the political scene for the next 10 or 15 years."

Some people even suspect that he harbours longer-term ambitions of returning to the White House one day—not in his old job but in Mr Reagan's.

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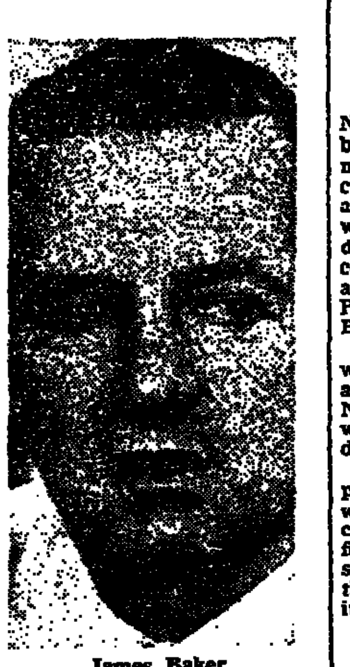


James Baker

Donald Regan: Outsider who learned fast

BY STEWART FLEMING IN WASHINGTON

Donald Regan

MR DONALD REGAN, the man who is taking over as the President's top aide, came to Washington four years ago a raw outsider.

He was inexperienced in the bureaucratic and political infighting which in the past has crushed many a Cabinet member who knew what to expect. He had not been a member of President Reagan's magic circle of Californian advisers and he did not have a strong base within the Republican Party.

In spite of these liabilities the tough, ambitious and combative former chairman of Merrill Lynch, Wall Street's largest brokerage house, has emerged in the past few months as one of the most powerful players in the Reagan Administration team.

His growing self assurance, all the more striking in comparison with the uncertainty which marked his early days at the Treasury, was graphically underlined just before Christmas when the 66-year-old ex-marine went out of his way to pick a fight in public with Defence Secretary Mr Casper Weinberger, a Californian like the President and a man whose hawkish posture on defence issues has fitted neatly into President Reagan's view of the world.

Mr Reagan told a group of reporters that the time had come to curb defence spending in the interests of getting the $200bn (£173.9bn) federal budget deficit down. There was a double irony in this example of the outsider taking on the White House insider, for Mr Regan's tenure at the Treasury has earned him no plaudits from political economists.

His persistent argument during 1983 and 1984 that burgeoning budget deficits do not cause high interest rates, and the message he conveyed that deficits do not matter (he denies that this was the message he sought to communicate), were scorned on Wall Street and castigated even by economists who were sympathetic to the Reagan Administration's policies.

Mr Regan's many critics characterised him as a "cheerleader" for the President, some even as a White House sycophant who tailored his views according to the prevailing mood of the President rather than the economic realities facing the country. His frequent forecasts that interest rates were heading down and the economy heading up were often dismissed as propaganda.

Mr Regan's loyalty to the President has served him well, however. He is seen to have won the President's ear and, as the economy has continued to grow and interest rates to decline, to have emerged as the unchallenged spokesman on economic policy for the president, a position which some of his predecessors at the Treasury never managed to achieve.

Even his critics would have to concede too that, after failing initially to understand the real dangers of the Third World debt crisis, Mr Regan and the Treasury joined with the Federal Reserve Board in adopting tough but realistic policies

Mr Regan has had rather less success domestically in championing radical reform of the U.S. banking system—Congress has yet to reach a consensus on the future shape of the U.S. financial services industry and a large question mark hangs over the voluminous study of tax reform

That study, which was widely praised by academic economists on both the left and the right, had a radical thrust to it which will have surprised critics of Mr Regan who have claimed that he is too concerned about trimming his views to the prevailing political wind.

Mr Regan, who has been at times a harsh critic of the Federal Reserve and Mr Paul Volcker, its chairman, has already shifted his ground towards more concern about longer-term implications for the U.S. economy of huge federal budget deficits. He can expect to be an influential voice in the White House on economic issues, but he will have a much harder job making his voice heard on strategic and security topics, however, for on these issues he is back to being a raw recruit with a lot to learn.

Brazil rescheduling talks 'could be concluded by Friday'

BY ANDREW WHITLEY IN RIO DE JANEIRO

NEGOTIATIONS in New York between Brazil and a 14-member committee of bank creditors on rescheduling approximately $50bn (£43.4bn) worth of debt principal falling due over the rest of the decade could be concluded by Friday, accoring to Sr Affonso Celso Pastore, the Brazilian Central Bank governor.

Sr Pastore said the talks, which resumed last week after a break for the Christmas and New Year holidays, were going well. He declined to go into detail.

However, Brazilian press reports yesterday said that the world's most heavily indebted country is seeking a 16 year final-maturity on its debt rescheduling, two years longer than was achieved by Mexico in its recent agreement with bank creditors.

Brazil is also reported to be holding out for a grace period on repayments of between six and eight years and the same interest rate, 1.125 per cent over U.S. prime, as the Mexican obtained.

Success in obtaining the grace period it is seeking would provide Brazil with a vital breathing space during the years when its debt amortisation profile had been expected to reach its peak. This would be of immense political benefit for the incoming civilian government, which is due to take office in March.

While its creditors are expected to be generous over the grace period, few Western bankers here expect that Brazil will be able to match the low interest rates conceded to the Mexicans.

Nicaragua offers Honduras list of guerrilla camps

BY TIM COONE IN MANAGUA

THE NICARAGUAN Government has offered to provide neighbouring Honduras with a complete list of anti-Sandista guerrilla encampments to help in the expulsion of the U.S.-backed insurgents from Honduran territory.

The Nicaraguan Foreign Ministry also requested the extradition of a Nicaraguan guerrilla leader, Sr Steadman Fagoth, who was arrested in Honduras at the weekend. The Hondurans ignored the request and expelled Sr Fagoth to the U.S.

Dr Paz Barnica, Honduran Foreign Minister, said last week following a meeting of the country's Security Council that all the Nicaraguan counter-revolutionaries, or "contras," based in Honduras are to be expelled. This signifies a major shift in policy by the Honduran Government, which for over three years has tolerated the presence of up to 10,000 U.S.-backed guerrillas launching attacks into Nicaragua in their bid to overthrow the Left-wing Sandista leadership. Air bases in Honduras are also used to re-supply the guerrillas inside Nicaragua.

The Honduran move follows a threat by Sr Fagoth to kill a score of Sandinista prisons if a number of guerrilla prisoners are not released by the Nicaraguan Government. Honduras has also recently been attempting to renegotiate several military and economic agreements with the U.S. on more favourable terms, but with little apparent success. The shift in policy is therefore being interpreted in Nicaragua as a step towards a possible normalisation of relations between Honduras and Nicaragua.

At the Honduran Security Council meeting the future of some 20,000 Nicaraguan Miskito Indian refugees was also discussed. A plan is to be presented shortly to the United Nations High Commission for Refugees over their possible repatriation.

The Nicaraguan Government recently began negotiations with Sr Brooklyn Rivera, one of the Miskito Indian guarrilla leaders, to draw up an autonomy plan for the Atlantic coast of Nicarague where most of the Miskito Indian communities live.

WORLD TRADE NEWS

UK sales to Europe 'hit by failures in price quoting'

BY CHRISTIAN TYLER, TRADE EDITOR

BRITISH companies are losing sales opportunities in Europe by failing to quote door-to-door prices for their goods, according to a survey published yesterday.

Most companies make good use of the new transport systems, such as cargo containers and roll-on, roll-off ferries that have made delivering to Europe no more difficult than distributing in the UK.

But, say sthe survey, fewer than 20 per cent are quoting delivered prices. Instead, probably from sheer force of habit, they continue to quote ex-works, f.o.b. (free on board) or c.i.f (cost, insurance, freight), as if Continental Europe were an overseas market.

Free on board means that the seller's obligation ends the moment the goods have cleared the ship's rail at the port of shpiment. When goods are sold cif, the seller pays the costs, freighted and marine insurance to get the goods to a named destination. But delivered prices is the maximum obligation, including all costs incurred in getting the goods to the buyer's premises. From the buyer's point of view, this means that importsa re indistinguishable from domestic supplies.

The survey was carried out by the Centre for Physical Distribution Management, part of the British Institute of Management.

It concludes that because of the terms of sale British goods are probably less attractive to European buyers than locally-made products. By quoting delivered prices, the exporter would be better able to fix a competitive price and to "determine the extent of the market which he can serve economically."

In addition, if European importers are left to pay all distribution charges in local currencies the British balance of payments is adversely affected, the study says.

The study group gives three possible reasons for exporters' reluctance to update their terms of sale.

Companies trained in exporting to Commonwealth and former coolnial markets were used to sterling-only contracts, and were afraid of exchange rate risks.

They appeared to have "an inherent fear of European languages" and have historically found it difficult to calculate delivered costs.

Thorn-EMI reported yesterday that it had increased sales to Europe of some of its products by 50 per cent in three months, partly if not mainly because it had gone over to quoting delivered prices.

It was also pointed out that banks can help companies overcome the exchange rate risk involved in quoting non-sterling prices.

**Survey of Current Practices: UK Exporters to Europe; Centre for Physical Distribution Management, Cottingham Road, Corby, Northants NN17 1TT.*

Fairey wins £9m contract to build boats for Bahamas

BY BRIDGET BLOOM

A £9m contract to supply three patrol boats to control smuggling around the Bahamas has been won by Fairey Marine, the Isle of Wight-based boat builders.

The company wil supply the Royal Bahamas Defence Force with three 33m Protector class Fast Patrol Boats. These are steel hulled craft with aluminium superstructures.

They will be equipped with electronic surveillance and navigation equipment to combat smuggling, poaching and illegal immigration in and around the waters of the 700 islands which constitute the Bahamas.

Mr Jack Barr, managing director of Fairey Marine, said yesterday that the Protector had been tailored to the exact requirements of the RBDF.

The contract includes training for the 25-man crew of each boat, as well as maintenance. Barclays Bank International is providing long term credit. Fairey Marine is an operating company within Fairey Holdings Ltd. the engineering sector of Pearson.

Sony to sell 8mm video camera in Japan

By Jurek Martin in Tokyo and Jason Crisp in London

SONY is to be the first Japanese company to sell the new 8 mm compact video camera in Japan. The model—known as the Video Eight—will go on sale on January 21 at a recommended price of Y280,000 ($1,100).

However, Sony's policy, outlined at a Press conference in Tokyo, suggests the company is taking a cautious approach to this nascent market. Initial production has been set at 20,000 units a month which will be increased by 50 per cent in the summer.

The new generation of portage video cameras such as the 8 mm format are not likely to challenge existing home VCK systems. The main threat is to home movie cameras using 8 mm and Super 8 film. This is why Kodak in the U.S. was the first company to launch the 8 mm video.

Considerable doubts still surround the likely commercial success of the 8mm video. The format needs very high quality and expensive tape to produce pictures which are not as good as those produced by conventional ½ inch formats such as VHS and Beta. Although 127 companies have backed the 8mm format there has been a widespread reluctance to launch products.

Sony is the first Japanese company to launch an 8mm camera for sale under its own name. The only other 8mm compact camera on the market is the one sold by Kodak in the U.S. which is made by Matsushita in Japan. Polaroid and General Electric of the U.S. and several Japanese companies including Toshiba have either said they will market the cameras shortly or are known to be considering the move.

The main competition to 8mm is the VHS-C format developed by Victor Company in Japan which also developed the best-selling VHS format for VCRs. VHS-C uses the same ½ inch tape used in conventional VCRs but contained in smaller cassette. The VHS-C tape can be replayed on a conventional video.

Philips, the Dutch electricals giant, which last year started selling VHS after the failure of its own video format, V2000, is to launch a video-camera/recorder in the late spring. The Philips camera, which has been developed in conjunction with Matsushita in Japan, uses the standard VHS cassette

David Dodwell reports on the increasing interdependence of the two economies

China catches the Hong Kong trade bug

AS Hong Kong's exporters come to the end of a notable year, celebrating a likely 35 per cent increase in the value of overall trade, one feature above all others has caught public attention — a meteoric growth in trade with mainland China.

The increase—expected to be worth about 60 per cent in cash terms on the full year—offers striking evidence of the impact of China's policy of "opening up to the outside world." It gives a clear signal of the role Hong Kong is likely to play in the economic development of the mainland, and demonstrates the increasing interdependence of the two economies just weeks after the signing of the Sino-British agreement to hand formal control of Hong Kong back to China in 1997.

In the course of 1984, China has overtaken West Germany and the UK to become Hong Kong's second most important export market—only surpassed by the U.S.

Given the size of China, and the fact that Hong Kong is on its doorstep, many might initially be unimpressed by such a development—until they learn that in 1978, before the "four modernisations" were announced by Deng Xiaoping, China's resilient octogenarian leader, China ranked 37th among Hong Kong's export markets.

In the six years since, Hong Kong's direct sales to China have shot from a modest HK$600m (£66m) to not far short of HK$10bn (£1.1bn) in 1984—a measure of the increasing sophistication of Hong Kong's manufacturing industry, particularly in electronics and telecommunications, as well as the opening door on the China market.

China in 1982 regained from Japan its position as the leading exporter to Hong Kong—supplying textile products, raw materials, consumer goods, and of course the majority of its foodstuffs and drinking water. It had lost this pre-eminent position in 1967.

As China has emerged from decades of extreme isolation, so Hong Kong's role as an entrepot has been transformed. Re-exports to and from China have more than doubled every year since 1978—from HK$1.3bn to a total likely to be close to HK$25bn in 1984.

Hong Kong trade officials caution that the statistics disguise an unquantifiable amount of double counting. A proportion of Hong Kong's direct exports to China are in fact components destined to be made up into semi-finished products and then immediately re-exported to Hong Kong for finishing.

The statistics, therefore, say as much about the increasing interdependence of the two economies than they do about trade flows. According to China's own statisticians, Hong Kong takes about a quarter of the country's exports. Hong Kong's trade department says Chinese products account for about the same share of the Territory's imports, and about a third of its re-export business.

"This is a remarkable turn of events," Mr Michael Sze, Hong Kong's deputy trade director, commented. "China has become a real two-way trading partner."

As businessmen both in Hong Kong and abroad have begun to come to terms with the Sino-British agreement (under which Hong Kong will be set up as a special administrative region of China with "a high degree of autonomy" for 50 years after 1997), so there is an emerging conviction that the rate at which this special economic and trading relationship grows is likely to accelerate still further.

"Hong Kong will remain the main doorway to the only remaining huge undeveloped market in the world," one diplomatic observer stressed. "People here have a shared language and culture, and they have commercial links throughout the mainland that it would take a Western businessman years to develop."

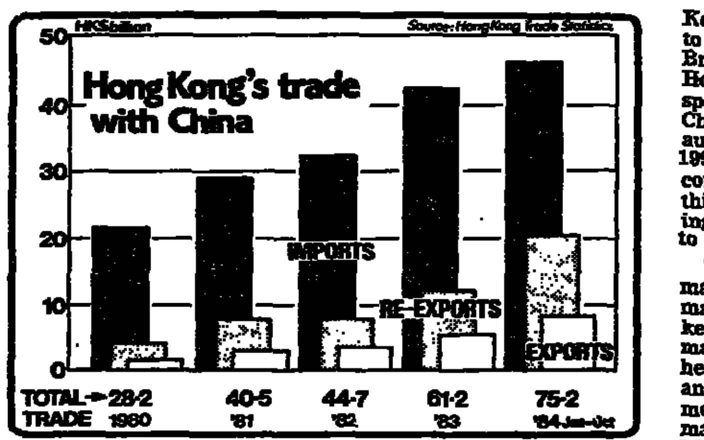
Another diplomat noted that Hong Kong had benefited from the decentralisation of China's massive procurement programmes. While most foreign purchases were made by state bureaucracies in Peking, a middle-man was rarely necessary. Liberalisation has meant that individual Chinese businesses and provincial trade bureaux, have been left to fix import orders for themselves. Lacking direct knowledge of the outside world, they have turned in large numbers to go-betweens in Hong Kong—increasing Hong Kong's entrepot trade and creating tremendous opportunities for local trading groups.

He predicted that Hong Kong would be increasingly important as a source of a wide range of services—training staff in China's new hotels, providing insurance services and banking advice and maybe even introducing a new Chinese generation to the mysteries of stockbroking.

Hong Kong businessmen remain the leading manufacturing investors on the mainland. The trade department has 122 local companies registered to ship partly-made goods to joint venture partners on the mainland for further processing. That is a small number put against the 20,000 companies registered in Hong Kong, but it is a formidable total compared with any other country and is a pale reflection of the scale of commercial contact between the two markets.

Another unexpected boost to Hong Kong has been the habit of many Chinese corporations that have earned foreign exchange beyond immediate needs to use local trading companies, or set up "shell" companies in the territory, to park the funds without having to bring them back under the jurisdiction of mainland authorities. The size of such funds is impossible to gauge, but there is evidence they are being used and invested in Hong Kong.

"If the powers in the Peking don't throw the economy into sharp reverse, and if people in Hong Kong can keep a cool head, then both economies can reap some handsome profits from their present relationship in the years ahead," one western trade official commented last week. "Maybe that's what Deng Xiaoping meant when he told Hong Kong businessmen to set their hearts at ease."



Brane Radovic

EEC reaches steel import accords with 12 suppliers

BY PAUL CHEESERIGHT IN BRUSSELS

TWELVE of the 15 traditional steel suppliers to the EEC have reached agreement with the European Commission on the level of their sales in the EEC market this year.

The EEC operates a tight steel imports policy which keeps outside supplies at roughly 10 per cent of internal consumption and negotiations take place with suppliers every year.

The Commission announced yesterday that agreement had been reached with Bulgaria, Hungary, Poland and Czechoslovakia from the East bloc, Austria, Finland and Sweden from the European Free Trade Association, and Australia, Brazil—for pig iron only so far—Japan, South Africa and South Korea.

Their sales will generally be held at 10 per cent below their 1980 level. Last year the level was 12.5 per cent lower

Negotiations have run into difficulty with:

- Spain, which wants special arrangements because it is going to join the EEC;
- Norway, because it cannot be decided whether half-finished products it sells in the Netherlands should be considered part of its allotment or part of the Hoogovens internal EEC quota;
- Romania, on the question both of quantity and destination.

Burroughs in $20m deal with Chinese

BURROUGHS Corporation of the U.S. has signed a $20m (£16.5m) contract with a group of Chinese companies for the assembly, distribution and maintenance of small business computers, Reuter reports from Hong Kong.

The contract calls for the Yunnan Electronic Equipment Factory in Kunming, capital of Yunnan province, to distribute Burroughs B20 microcomputers, assemble and distribute B25 computers and maintain both.

The programme will begin as soon as the Chinese and American governments give their approvals, including the necessary U.S. export licenses.

Ericsson wins W. German flight simulators contract

BY DAVID BROWN IN STOCKHOLM

ERICSSON, the Swedish telecommunications and electronics group, has won an SKr 180m (£17.3m) order to supply two flight simulators for air-traffic-control training from the West German aviation administration, its largest such contract to date.

The order was won against competition which is understood to have included Siemens, of West Germany, and Rayethon, of the U.S., in partnership, as well as Thompson of France.

SCS Technische Automation und Systeme GMBH, of West Germany, will provide applications software worth up to SKr 30m, Ericsson said.

The equipment will be installed in a new flight training centre in Langen, south of Frankfurt, and will be used to train domestic and foreign air-traffic controllers.

- The U.S. became the largest market for Saab Scania cars in 1984 when sales to the U.S. hit a record 32,768 cars, an increase of 27 per cent on 1983, the company said, Reuter adds.

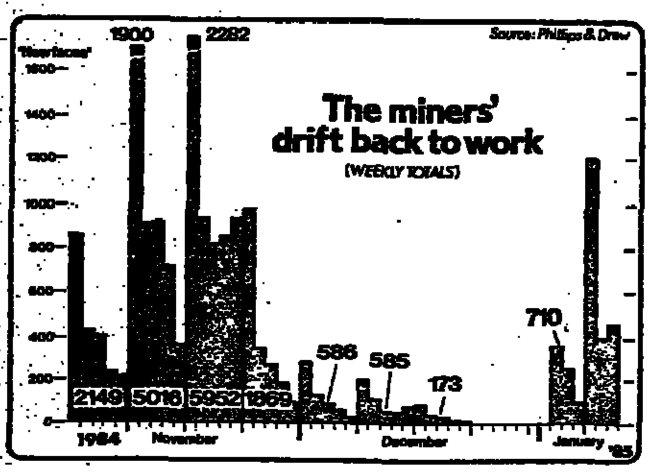
Saab said it hoped to boost U.S. sales to 38,000 cars in 1985.

Its sales worldwide totalled around 103,000 cars in 1984 against 95,500 in 1983, according to provisional figures.

UK NEWS

Pit union area leaders press for peace talks

BY PHILIP BASSETT AND ROBIN REEVES



The miners' drift back to work

(WEEKLY TOTALS)

Source: Phillips & Drew

LEADERS OF National Union of Mineworkers (NUM) constituent areas – including South Wales, the strongest supporter of the 10-month-old strike over pit closures – will tomorrow press the union's executive to re-open talks on the dispute.

The pressure on the NUM leadership comes as the miners' steady drift back to work continues. A further 435 miners abandoned the strike yesterday, the National Coal Board (NCB) said. This was down on Monday's total of more than 1,200, but an NCB spokesman said: "We are encouraged."

Coal was produced for the first time since the dispute began at Kellingley Colliery, Yorkshire, Britain's biggest pit and the home territory of Mr Arthur Scargill, president of the NUM. The event was described by Mr Percy Simpson, the pit's manager as "the rebirth" of the Yorkshire coalfield.

The executive of the South Wales NUM yesterday unanimously endorsed the peace formula for breaking the deadlock. Mr Emlyn Williams, the Welsh miners' president and a hard-line supporter of the strike will put the proposal tomorrow to the meeting of the union's national executive in Sheffield.

The formula, based on a proposal put forward by Welsh church leaders, *involves the establishment* of an independent review body to examine the future of the coal industry in the context of a long-term energy policy.

The review body would consist of people representing the interests of the NUM, the NCB, the Government and the wider community. It *would also consider the economic* needs of areas traditionally dependent on coal mining.

Its unanimous acceptance by the South Wales executive marks a recognition by one of the union's key areas (only about 130 of the area's 19,500 miners have abandoned the strike), that the deadlock can be broken *only by involving* a third party.

Mr Sid Vincent, president of the Lancashire area NUM, will also press for a resumption of negotiations after a decision by his area executive.

The best guess is that both moves are likely to be resisted by the left leadership which dominates the NUM executive. But the moves, by two of the union's main areas, suggest that pressure is building up on NUM leaders as the return to work continues.

Senior NCB officials were sceptical about the value of re-opening talks on the basis on which they collapsed at the end of October. They *feel there is little point in re-starting negotiations* unless there is some shift in the NUM's position.

Coal stocks 'will remain high'

BY MAURICE SAMUELSON

POWER STATION coal stocks will be higher at the start of next winter than at the beginning of this winter, even if the miners' strike is not settled by then, it is claimed today by stockbroker Phillips & Drew.

This will be the case even if the present cold weather lasts three months and if the electricity author*ities start saving money* by reducing their oil burn, as they have said they are now able to do.

Phillips & Drew estimates that in October of this year, power stations will have 17.7m tonnes of coal in stock, compared with 15.5m tonnes at the end of October 1984. Stocks will thus continue to remain far above the 1m tonnes regarded as the minimum safety level.

The forecast assumes that deliveries of 750,000 tonnes a week continue to reach power stations; the miners receive no additional significant support; and coal output continues at its published October rate.

Its authors, Dr Paul Neild, Phillips & Drew's chief economist, and Mr Alan Scowcroft, estimate that *by the end of March the strike will* have added £2.5bn to the public sector borrowing requirement (PSBR) for 1984-85.

On a weekly basis, they put the PSBR cost at £28m in the second quarter of 1984, at £45m in the third quarter, £86m in the fourth quarter and at $55m a week in the first quarter of 1985.

They preface these estimates by indirectly endorsing last year's claim by Mr Nigel Lawson, the Chancellor of the Exchequer, that the national costs of the strike are a worthwhile investment. They write: "There is a quite legitimate argument that the dispute is costless to the nation as a whole in the sense that potentially both the efficiency *and inflation consequences of a con*cession to any group on uneconomic working would be much more costly to the country's long-run growth prospects than a few billion spent here or there on dealing with the dispute."

Phillips & Drew say that because of the increased winter oil burn, the estimated adverse impact on the current account has risen

Importers take record share of van market

By Kenneth Gooding, Motor Industry Correspondent

IMPORTERS sold more commercial vehicles in Britain than ever before last year and their share of the market rose to a record 36.2 per *cent, up from 34.2 per cent in 1983.*

The temporary weakness of Austin Rover, BL's subsidiary, in the car-derived or light van sector seems to have been mainly to blame.

Registrations of its light vans fell by 25.6 per cent or 6,484 last year from the 1983 level to 18,772. Customers held back waiting for the Maestro van, which replaced the Ital van in October. As a result, Austin Rover lost the ground it had gained in 1982 after the Metro van was launched.

Total light van sales fell by 1.4 per cent last year to 84,202. But imports rose by 10.58 per cent to 23,068 vans, taking the importers' share of the sector from 24.4 per cent to 27.4 per cent.

Although the other UK-based companies – Ford, with light van sales up from 26,595 to 28,501 (mainly Escorts), and General Motors, up from 16,898 to 18,395 (mainly Astras) – improved their sales, it was not enough to compensate for Austin Rover's decline.

Total registrations of commercial vehicles last year improved marginally, by 0.43 per cent to 269,003, according to the Society of Motor Manufacturers and Traders. Medium and heavy van sales fell by 991 to 115,829, but heavy truck registrations (over 3.5 tonnes gross) were ahead by 5.75 per cent at 52,821.

The importers' penetration of the medium and heavy van market improved from 41.85 per cent to 42.6 per cent, with the French companies doing well. Sales of Renault vans jumped from 5,048 to 7,253 and those of Peugeot-Talbot increased from 5,698 to 6,791.

Market leader Ford bore the brunt. Registrations of its Transit *van fell from 41,723 to 39,890,* while those of its South African-built pick-up truck were down from 7,439 to 5,230.

Importers boosted their share of the heavy truck market from 31.69 per cent to 34.52 per cent.

The most spectacular percentage increase among the importers came from Scania, which boosted sales by 590 vehicles.

Study starts on Channel link

BY ANDREW TAYLOR

THE FIRST meeting of the joint Anglo-French working party which is to report on the financial and technical requirements for building a fixed link across the English Channel is due to take place in London tomorrow.

The working party is expected to report to the British and French governments by the end of February.

The report was requested after a meeting between Mr Nicholas Ridley, the British Transport Secretary, and M Jean Auroux, his French counterpart, in Paris last November. Tomorrow's meeting is expected to establish the basis under which the study is to be carried out.

The British members of the team include civil servants from several departments, led by Mr Andrew Lyall, an Under-Secretary at the international transport directorate of the Department of Transport.

The formation of the study group, confirmed at the Paris summit meeting between Mrs Margaret Thatcher, the UK Prime Minister and President François Mitterrand of France at the end of last year, is a further example of the much more positive attitude being shown by the British authorities towards a Channel link.

In particular, Mrs Thatcher's attitude, which previously had appeared rather cool, has become much more enthusiastic.

The British and French governments have already agreed that any link – whether it be tunnel, bridge or combination of both – should be financed entirely by the private sector without the benefit of government financial guarantees.

The working party is expected to draw up the ground rules under which private finance may be raised. It will also establish the safety and technical requirements which the various consortia proposing schemes will be expected to meet.

The consortia say *that until this* work is completed they will be unable to start the lengthy negotiations necessary to raise finance for a project which could cost more than £4bn at 1983 prices.

Two schemes have emerged as the main contenders for a Channel link. These are: twin railway tunnels proposed by a consortium of construction companies under the banner of the Channel Tunnel Group; and a rail and road option involving a combination of bridges and tunnels proposed by the Euroroute consortium representing British and French construction and banking interests.

Both consortia are convinced that they will be able to raise the fi*nance for their schemes provided a* satisfactory treaty can be negotiated between the French and British governments. They say the more positive attitude being displayed by the British authorities makes it more likely that a Channel link will be built this century.

Dilemma for Government over satellite broadcast project

BY RAYMOND SNODDY

THE GOVERNMENT faces a series of problems over the future of the UK's multi-million pound direct broadcasting by satellite (DBS) project.

Mr Leon Brittan, the Home Secretary, asked for a progress report from the 21 prospective members of the DBS consortium. What arrived just before Christmas, the Government believes, was not so much a progess report as a number of demands which change the ground rules of the operation.

Mr Brittan said in the House of Commons last year that the consortium would use United Satellites, the British Aerospace, GEC, British Telecom company as satellite provider. Now, because of the high prices quoted by Unisat the consortium has asked for permission to seek international tenders.

The Cable and Broadcasting Act gave the project a life to 10 years. The consortium wants a longer period to recoup an investment that could be more than £500m.

The consortium, which is made *up of the BBC, ITV companies and* five non-broadcasting organisations, also expressed concern about possible competition from transmissions from low power satellites outside UK jurisdiction.

There is pressure from satellite dish manufacturers for the Government to make it legal for individuals to have dishes. At the moment licences are required and are usually given only to researchers and cable television operators.

The Government is expected to decide in the next few weeks on the extent to which it is prepared to allow the ground rules to be changed.

The first stage is to see whether there is a real discrepancy between the prices quoted by Unisat – £660m *for a three-satellite system over* eight years including financing costs – and international competitors. If there is, the Government must decide whether to insist on Unisat despite the price, try to put together an international consortium including British Aerospace or go for the cheapest off-the-shelf U.S. satellite.

London SE to meet on changes

BY BARRY RILEY IN LONDON

THE UK Stock Exchange Council will reconvene at noon today to debate controversial proposals for ma*jor constitutional changes.*

After a preliminary session yesterday officials cautiously expressed the hope that Sir Nicholas Goodison, the chairman, would be in a position to outline the Stock Exchange's plans at the end of the second meeting.

At yesterday's session, the council was briefed on proposals developed by the ad hoc constitutional committee. According to Mr George Nissen, chairman of the committee, the measures amount to a "major *constitutional package.*"

Mr Nissen, who is senior partner of London stockbrokers Pember and Boyle, and a former deputy chairman of the Stock Exchange, refused to be drawn on details after yesterday's meeting, but said the proposals "encompass a whole lot of different propositions and some important points of principle."

The measures centred on the need to provide for the 100 per cent ownership of member firms by outsiders, with the abolition of the ex*isting 29.9 per cent ceiling on out*side stakes. There would be important consequences.

He said the constitution of the London Stock Exchange was in any case "somewhat unwieldy."

Any constitutional changes will need a 75 per cent vote of approval by members of the London Stock Exchange at an extraordinary general meeting.

Payments service to U.S. opens

By Our Financial Staff

THE BANK of Scotland and Mellon Bank of Pittsburgh, Pennsylvania, have set up what they claim is a unique service to transfer sterling payments to the U.S.

The system, called the Trans-Atlantic Payments Service (Taps), enables UK institutions which make *regular small payments such as* pensions, dividends and annuities to U.S. recipients to make them at a lower cost and a more favourable exchange rate. This is achieved by bundling the payments together and obtaining the better bulk rates.

They claim that a recipient of £100 in the U.S. who would normally expect to be able to realise $114.50 at an exchange rate of $1.20 to the pound, would get $118.45 using Taps.

The system is highly automated and allows remitters to transfer funds to the Bank of Scotland through the Bankers Automated Clearing Services (Bacs). In the U.S. they are forwarded to the pay*ee by Mellon using the U.S. Clear*ing House.

● Prudential Assurance, the main UK member of the Prudential Corporation, Britain's largest life company, is strengthening its individual insurance operations in the UK by appointing Mr Malcolm Hughes as marketing manager of the Pru's UK Individual Division, Eric Short writes.

TECHNOLOGY

EDITED BY ALAN CANE

HAS CAMBRIDGE AN UNBEATABLE LEAD IN HIGH TECH?

Subtle hints of Oxford's potential

THERE WERE 41 high technology companies flourishing in Cambridge four years ago. Today there are some 325, *the Cambridge Science Park is expanding and big* companies are moving in.

Oxford, by comparison, seems to have been left well behind in the high tech stakes. Peta Levi reports from the home of England's oldest university.

Martin Wood, left, founder of the Oxford Instruments Group, with members of the company's board. Mr Wood now sits on the University Industry committee, a body which hopes to encourage the growth of new companies.

At first glance, the Oxford high tech scene is depressing. No-one monitors the number of high tech companies in the area —probably about 50—and there is still no science park. According to Michael Day, the University's Industrial Liaison Officer, "there has been little change; I don't see much evidence of people coming out of the University and wanting to start up their own companies."

He has only had four applications since two months ago the British Technology Group provided £5,000 as a seed corn fund to help develop University ideas.

But there are those (including Matthew Bullock, Corporate Finance Director of Barclays Bank's high tech team and a major influence on the Cambridge Science Park) who think that Oxford has at least as much potential as Cambridge—due in part to its communications, commercial location and the proximity of major research establishments at Harwell and Culham.

A closer look at Oxford reveals subtle changes in attitudes; and the *number of high* tech companies is growing. One of the most recent, Meta Machines, was started by 47-year-old Peter Davey (who till six months ago ran the Science and Engineering Research Council's robotics research programme) and Ed Hudson, previously a senior manager at Unimation.

Oxford has at least as much potential as Cambridge—due in part to its communications; commercial location and the proximity of local research establishments

Meta (financed by a Baronsmead Associates consortium to the tune of £800,000) is the first British company to develop sensor-guided robotic systems. It began on university premises, but is now in a new Abingdon factory.

Meta has some 60 orders (£25,000 each) for its first product, Metatorch, an arc welding robot which can "see" with a compact combination of lasers and miniature cameras. Meta is already working on systems for the packaging industry, especially for foods such as chocolates. Davey had the courage to give up his academic career. He said: "I enjoyed my university work, but running Meta Machines is even more fun and is a full-time occupation."

A particularly exciting small company, Crystalox 1982, founded by *Dr David Hukin of* the Clarendon Laboratory, has developed a revolutionary new process for making photovoltaic silicon which can produce low-cost solar power units. Crystalox is producing the first prototype system for Norway. Hukin, just back from China, expects to sign a £700,000 Chinese contract in January to supply several systems for purifying and growing crystals as solid state device materials.

Another successful company, Research Machines, started in 1973, now employs 210 and has a turnover of £10m. It has sold over 900 of its low cost network systems and will shortly launch a 16-bit computer.

With unemployment at 11.5 per cent, city planners encourage high tech companies. John Walker, Deputy City Planning Officer, said, "I would like to see the university play a more positive role in encouraging the development of high tech companies."

Planning permission *has just* been given for 100,000 sq ft of high tech development at Jordan Hill, two miles north of the city centre, owned by the Oxford University Press and being handled by Raglan Property Trust. Unfortunately, Science Parks Ltd's proposal, which closely parallels the *Cambridge Science Park* concept, for the railway station site (undeveloped for 26 years) will probably be pipped at the financial post by a more conventional commercial development.

Until recently the county planners opposed development in the city, but are now committed to finding a 10-acre city science nursery site. However, they recently refused planning permission, on traffic grounds, for the controversial SU Butec site, off the Woodstock Road, to become a science park; SU Butec are appealing.

The Oxford Instrument Group provides a shining example of the benefit that follows when high tech businesses start up near the university. In 1959 Martin Wood, an academic working in the Clarendon Laboratory, founded the company in the traditional garden shed and a slaughter-house. Today three of its five factories are in the county and it employs 275 in Oxford and 490 in the county.

Many of its management team, including the group managing director, Dr Peter Wil*liams, are science graduates.* The majority are Cambridge graduates. Wood suspects this maybe due to the broader education provided by most Cambridge science degrees, in contrast to Oxford's in-depth approach (which leads to more fundamental research). However, Wood, with his unlikely base of cryogenics and magnets, has exploded the myth that you can't get commercial applications out of fundamental research.

Wood, who now sits on the University Industry Committee, is becoming a catalyst for emerging high tech companies. Since Oxford Instruments left the slaughter-house he has let the premises at a peppercorn to graduates wanting to start their own companies.

Analysis Automation, one such company was founded in 1969 by Oxford chemist Anthony Verdin. The company, which specialises in analysis instrumentation for industrial safety and environmental monitoring and hopes to break into the German market, now employs 40 people at Eynsham and expects a turnover of £2m this year.

Another growing company which developed in the Wood slaughter-house is Oxford Lasers. Founded in 1977 by an ebullient physicist, Dr Colin Webb, the team includes three former members of the Clarendon Laboratory's laser research group. Its lasers, particularly the latest group of metal vapour lasers, are used for medical purposes, industrial processes, photochemistry and fundamental research.

One application is a portable laser for finger-print fluorescent detection. The company now has 20 staff, six with laser physics doctorates, and is helping to research new forms of cancer therapy with the help of John Caruth, a surgeon at the Royal South Hants Hospital. In 1985 it expects to export 70 per cent of production. The company, which recently moved to an 8,000 sq ft converted garage, needs to stay physically close to the University to maintain laboratory links.

In the final analysis science graduates are concerned about *employment.* The figures for 1983 show that out of 696 male science graduates, 188 did further research, while 139 became chartered accountants or went into commerce.

The climate is changing. Students are being attracted to Oxford University's work in many fields

But the climate is changing. Students are being attracted to the University to work in such departments as Colin Webb's laser research group, knowing there are growing local job opportunities and that the University is in practice generous to academic staff wanting to spend time developing commercial ideas.

ELECTRONIC PUBLISHING

A VAN service for trade statistics

THE WORLD seems divided into those who know about value added network services (VANS)—very much a minority —and the rest. Which is sad for a business area predicted to grow from $270m at the end of 1982 to $5.7bn in annual revenues by the end of 1990.

A *good example of a Vans* is Tradstat, a world trade database provided by EDS (which used to be Unilever Computer Services).

Tradstat makes it possible to trace the movements internationally of any goods or commodities, anything in fact which has an international *import/export code and which* passes through the customs offices of any of the 10 countries which provide EDS with data.

These are France, Belgium and Luxembourg, the Netherlands, West Germany, Italy, the UK, the U.S., Spain, Japan, and Canada.

EDS gets its raw information in the form of computer tapes from each of the reporting countries.

It adds value through the use of its own software which sorts and formats the raw data into manageable pages of information.

The formatted data is hten available over the EDS bureau network.

Users include ICI whose head of statistics, Mr Tony White, reckons that reports which took a day and a half to compile manually using paper publications take two minutes using Tradstat.

It is even possible to estimate the value of particular imports and exports "suppressed" for political or other reasons from official statistics.

The development costs of the service were partly met by £50,000 from the Department of Trade and Industry and the National Economic Development Office was Tradstat's first customer.

More on 0923 47911.

Analytical academics add value to news

OXFORD ANALYTICA, a consultancy specialising in the international analysis of commercial and political trends, adds a unique value to the information it distributes electronically to its clients—the brain power of the faculty of Oxford University.

For the past few months, the company has been marketing successfully its "Daily Brief," a series of analyses of world affairs prepared by its project teams of university academics and delivered directly to its customers' desks.

Mr David Young of Oxford Analytica believes this combination of Oxford University brainpower, the best modern information sources and electronic distribution is unique.

Information is drawn from news sources such as AP/Dow Jones, the BBC World Service and Retuers, and four topics are selected daily. Recent daily lists have included Jordan's military co-operation with the U.S., Soviet plans to supply nuclear power plant to Libya, China's future industrial per*formance and East African* disaster relief.

The analyses—between 400 and 600 words in length—are prepared by Analytica's top academics with the help of their sources and contacts world-wide: the result: "will provide a balanced and knowledgeable framework within which sound decisions can be made," Analytica claims.

Most of the early clients for the service—oil companies and banks, for the most part—were U.S. based. The brief was distributed over the Telerate network although the Reuters network and the various electronic mail systems are new options.

The briefs are produced in Oxford but delivered daily in the U.S. at seven in the morning. The coverage can be tailored to a client's individual requirements, and the service costs $2,000 a month, minimum commitment one year.

Oxford Analytica is on 0865 723232.

Communications

Links to networks

ADVANCED MICRO Devices (AMD) has produced an industry standard Ethernet chip set which, it says, greatly simplifies the connection of a microcomputer or minicomputer to a local area network (LAN).

There are two chips in the set, the Am7990 local area network controller for Ethernet (Lance) and the Am7992A serial interface adaptor (SIA).

Ethernet, created by Xerox, was one of the first techniques developed to ensure fast, secure transmission of information between computers or inteligent terminals over comparatively short distances—say within the confines of a conventional office building.

It used coaxial cable as the transmission medium; signals move along the cable between transmitter stations and receivers at rates of up to 10m bits a second.

The Ethernet chip set is responsible for getting the signal on to the network and off again. According to AMD its set easily implements all 10 Mbit a second multi-vendor interconnect networking schemes conforming to the IEEE Ethernet standard: "The chip set can support up to 1024 nodes over a distance of 1.7 miles."

It also supports "Cheapernet," a lower cost version for smaller networks. More on 048 62 22121.

Automation

Machine tools

BRIDGEPORT Textron of Leicester is selling a cheap programming system for computerised machine tools that it says is particularly simple to use. The aim is to apply the EZ CAM II system to machines that can be programmed by their own operators, who would need no special training in computers.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

BOC's corporate image

The intangible factor

Tony Jackson on the industrial gases group's falling rating

AMONG Britain's big industrial companies, BOC stands high in its reputation for good management. Its past record for profits growth is impressive, its prospects above average. But after a precipitous fall in 1984, its share price—measured in terms of its likely earnings this year—now stands at a discount of some 20 per cent to the stock market average. Plainly, something is wrong.

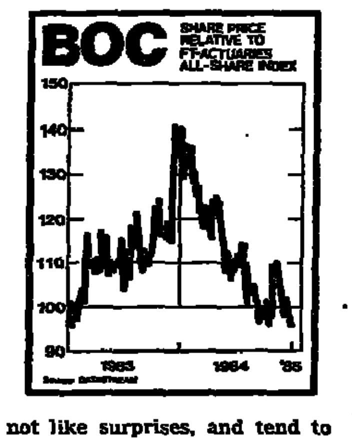
City analysts broadly agree that on fundamental grounds BOC shares are under-valued. But they would also agree that there is more to a shar eprice than the crunching of numbers. There is also the intangible factor known to the market as "sentiment"—the image which a company has in the eyes of the investing community.

Somehow or other, BOC has of late contrived to present its image clumsily to investors. There is a good deal of irony in this. Among British companies, the group is quite unusual in the degree of care and attention which it devotes to the investing public. Year after year, its report and accounts win bouquets for standards of layout and disclosure. It is also one of the few British companies to employ a full-time senior executive to handle isvestor relations.

The more strange, then, that City analysts should use terms like "high-handed" and "cavalier" in describing BOC's attitude to investors. A common complaint is that the group's results tend to be presented on a constantly changing basis. "If you take one says one analyst, "it's a superb document—it almost gives you too much information. But put a series together over the years, and you haven't a hope in hell of finding out what the history is."

Changing the reporting basis may well make sense to a manager who is refining his methods of internal control, but is complicates matters for the outsider.

Other recent grumbles focus on the number of unsignalled surprises in BOC's quarterly figures. This is an awkward point, since a company which more than complies with Stock Exchange disclosure requirements—as BOC does—could justly argue that it is under no compulsion to send out signals in between its reporting dates. It is a fact of life, though, that investment fund managers do not like surprises, and tend to steer clear of companies which have a reputation for providing them.



But however one assigns the blame, the stock market is at present giving little credit to BOC's underlying strengths. Group chief executive Richard Giordano was bemused in a recent television interview to find himself being asked about the "dull" part of the business—industrial gases. As he points out, with a touch of asperity, the long-term pattern for this division is one of growth at around double the rate of real GDP—a figure with which City analysts concur.

Given that gases accounted for more than two-thirds of last year's pre-tax profit of £138m, this evidently puts the group in a usefully strong position. But, again, critics in the City would argue that BOC has recently tended to obscure this fact by drawing the attention of investors to more glamorous businesses elsewhere.

Until last year, for instance, company officials and hand-outs tended to stress the massive U.S. investment programme in carbon graphite — a business which is presently having its margins severely squeezed by the strength of the dollar. And much has been made of prospects in the fast-growing health-care division — although it, too, is stumbling slightly at the moment as a result of cuts in U.S. health-care budgets.

To that extent, the strength of the gases division has gone unnoticed by default. In fact, despite all the recent expenditure on carbon graphite and health-care, the gases division's share of group capital expenditure has been quietly increasing over the past four years. This is partly because the division, though immensely cash-generative, is also hungry in investment terms. To produce £1 extra of sales in gases, says Giordano, now requires £2 of capital expenditure.

But the spending must continue, not only because of the rate of real growth—some 6 to 8 per cent per year on average—but also because that growth is itself critically dependent on cost-saving investment. "We've looked at this business over 20-year spans," says Giordano, "and the growth line has tended to be a good inverse fit with the cost of production."

"Take helium, for instance," he says. "Thirty years ago in liquid form it was a laboratory novelty. Now we transport it across the Atlantic in 1,000 gallon tanks. Or nitrogen, which competes with mechanical methods of refrigeration, and competes purely on cost. That's why all our effort has to be devoted to reducing the real cost of production."

As a result, there is "an interesting competition in the company between gases and healthcare, as to which will outstrip the other. I'm not taking sides," says Giordano.

Last year also saw the belated tackling of the group's one major black spot, welding. Most of the U.S. welding division has been disposed of, and it is now hoped that the division will at least break even. "Welding had its roots in gases," says Giordano, "and there was a cultural reluctance to unscramble the ham and eggs and concentrate on gases only. I wish we'd got rid of welding sooner."

This leaves only one serious question mark over the group's operations—the heavy investment in graphite electrodes in the U.S. City opinion divides fairly evenly on whether this decision was courageously far-sighted, or just plain wrong. The question will take some time to answer, depending as it does on such factors as the rate growth in electric arc steel production in the U.S. and the competitiveness of the U.S. as a base for export.

On one point, though, there is unanimity—current year profits for the group as a whole should show a handsome in-

Richard Giordano

crease. At the pre-tax level, forecasts are bunched around the £165m mark, an increase of 20 per cent (this is on the accounting basis of modified historical cost used by BOC—yet another bone of contention, alas, among City analysts). And though this year will see an increase in the tax charge, there is still room for earnings to go up by around 10 per cent—slightly ahead of most forecasts for the market as a whole.

Which once more raises the question of why on earth the shares should be so cheap. The catalogue of BOC's image problems could be extended; London investors, for instance sometimes have difficulty in deciding whether the group is British or American—a point reinforced by the relatively high profile adopted by its (American) chief executive. There may even be a touch of envy over Giordano's salary, which at £771,600 is in British terms very high indeed.

It certainly looks as if, in stock market terms, the group has lately been paying the price of its own success. Its management operates to the highest professional standards, and also has an unusually enlightened attitude—in formal terms—to investor relations and financial disclosure. It would not be surprising if, on being pestered for yet more data, it occasionally reacted with impatience.

But for the market to react so negatively is not surprising either, even if it is a touch ungrateful. The whole saga illustrates how tricky a business investor relations is. If a company as successful as BOC can disenchant investors, then arguably anyone can.

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Allowance for clothing

A P9D Employee in the Tax Year 1983-84 received an allowance for clothing and personal items such as hairdressing bills. Among other things she acts as Receptionist and is required to adopt a reasonable standard of dress, appearance, etc, appropriate with being one of the company's points of contact with outsiders.

This was duly reported on Form P9D, but the Inland Revenue has sought to tax her on actual cash value received and not on the secondhand value.

I also understand that a motor-car is tax free for an employee in this category, provided that some business use is made. This compares with the stricter treatment applicable to P11D employees. Can you give me any idea what "some business use" means?

Cash payments to an employee cannot be assessable by reference to the secondhand value of what the employee spends the money on: If you had looked at the Employer's Guide to PAYE (and the Employer's Guide to National Insurance), you would have seen that the clothing allowance must be taxed by you in the same way as the basic wages.

We recommend you to have a talks with the company's auditors, because you look an inviting target for an Inland Revenue PAYE investigation. You should read the Employer's Guides as soon as possible.

Negligent accountant

I HAVE an elderly client who was presented last year with a tax bill for over £8,000 for unpaid Corporation Tax. This has caused shock and consternation to my client, who is 72, and who retired from farming as a tenant 15 years ago. At that time, his farming company ceased to trade. but his accountant suggested that the company was kept going and, on top of that, made the retirement dwelling the property of the company. The proceeds of the sale of farm stock were left in the name of the company, and invested in the building society. Accounts were then submitted each year, and agreed by the September, and I believe a nominal amount of some £50 Corporation Tax was paid each year. It is quite clear that the accountant did not have an inkling of the Corporation Tax situation.

Recently, I asked a second accountant to look at the position. He was horried that this situation had been allowed to develop. eH felt that my client should have some recompense from his accountant for allowing this situation to develop. My client is at present put off at the thought of the cost of suing his accountant, and is in doubt as to how he might go about doing so.

Is the ta bill justifixed? Is there a case against the client's accountant? How would he go about making his claim against his accountant, or indeed against the ta bill?

It does seem that a case may lie in negligence against your client's accountant. The advice already given to consult a solicitor is sound. As the amount at issue is not great in relation to the potential cost of litigation it is essential to seek to resolve the matter out of court. Your client must of course mitigate his damage by accepting the offer made by the Revenue.

'Dealing company'

MY SOLE income derives from a small family company with income from property dealings (and rents) but treated as a "dealing company" for tax purposes.

I am entitled to age allowance for a married man and the company has a P2 tax deduction form allowing me £3,975 before tax. Both the company and I are in the 30 per cent tax bracket.

All my money is advanced to the company by way of loan account. How is it best for me to receive funds from the company? Can interest be paid gross to me up to amount of P2 allowance? Is it more advantageous for me to receive interest on my loan account or pay corporation tax (30 per cent) and ultimately receive a dividend?

Salaries and fees I believe suffer National Health deduction of nearly 11 per cent in addition to 30 per cent tax. Being over age I do not personally have any contribution for National Health. Dividends suffer deduction by way of ACT (another 30 per cent) in addition to ordinary Corporation Tax and it takes a long time to get any of this back.

I do not understand what my accountant rattles off.

Go back to your accountant and ask him or her to speak more slowly; keep asking questions until you understand. We really cannot help you without knowing, as your accountant does, the full background facts.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Management abstracts

Capital investment in records management. C. J. Bauer in The Journal or Information and Image Management (U.S.), Aug. 84 (5 pages).

Describes how the administration of the American Postal Workers Union Health Plan, faced with increasing claims combined with office congestion and rising costs, rejected the easy solutions of making the system bigger and extending the claims-processing time, and decided to aim for both lower costs and quicker processing; describes how the project evolved from specifying aims through the use of an investigative task force, to the installation of microfilm and other information-handling equipment; quotes savings claimed.

The planning and measure of customer service. G. V. Hill in Focus on Physical Distribution Management (UK), Jul/Aug 84 (5 pages).

Stresses that standards of service are a key aspect of marketing especially in markets where price and product quality are similar. Explains what information should be collected and monitored to establish the standards customers require, and how these can best be met and compared with competitors.

Incompetence at work. J. Muir in Industrial Management & Data Systems (UK), Jul/Aug 84 (2 pages).

Suggests that setting work standards and ensuring that employees know precisely what is expected of them goes some way towards improving the performance of "incompetent" employees. Stresses, however, that managers must go through proper procedures, issue warnings and give employees a chance to put thingh right before deciding on dismissal: it will also strengthen management's position in the event of a claim for unfair dismissal.

The impact of selling aids on new prospects. G. M. Zinkham & L. A. Vachris in Industrial Marketing Management (U.S.), Aug 84 (7 pages).

Presents an investigation into selling methods in a single industry (business forms) to derive the most effective methods for converting prospects into first-time customers. Discovers that a little-discussed technique—that of the seller providing a tour of his facilities is the most effective form of promotion, with business lunches taking second spot; both methods sharing common factors, eg person-to-person communication, the taking of the buyer from his normal place of work. The less effective methods include brochures and advertising specialities.

Local networks for micros. D. Ferris & J. Cunningham in Datamation (U.S.), Aug 1 84 (5½ pages).

Discusses reasons for wanting to connect several microcomputers in a local area network and describes the many practical difficulties in doing so; draws attention to the true costs of a LAN installation, lists what you won't be able to do with it and focusses on commonly met pitfalls.

Creativity. A Van Grundy & T. Rickards in Creativity & Innovation Network (UK), Jul/Sep 84 (9 pages).

Two related articles: (1) stresses the importance of imagination in creative thinking, and outlines the basic steps of creative problem-solving technique as a training medium; (2) describes a creativity session involving senior executives illustrating the proposition that people can be taught to think creatively.

Automatic callers. A. Lallande in Computing (UK), Aug 84 (1 page).

Describes the use of computers for interactive telephone calls suitable for—inter alia—overdue account notification; indicates substantial cost savings but notes a degree of resentment from the recipients of such calls.

OVERSEAS NEWS

Indonesia's bankers ride out a crisis in the money market

BY CHRIS SHERWELL IN JAKARTA

INDONESIA'S banking sector appears to have come through its toughest test since a major reform and deregulation process began in June 1983. The authorities, however, continue to face the delicate task of managing the changes.

A crisis developed last autumn in the inter-bank market. Overnight rates soared, and banks in distress were forced to the discount window created earlier in the year by Bank Indonesia, the central bank.

The crisis was not resolved by this, and Bank Indonesia eventually had to open a new special credit facility and to restrict the amount banks might borrow on the inter-bank market, before inter-bank rates dropped back.

The affair illustrates the economic problems faced by Bank Indonesia and has provoked thought on banking reforms. In particular, it underlines the difficulty of introducing domestic reforms when economic policy priorities are concerned mainly with the country's external accounts—arising in Indonesia's case—from the weakness of the world oil market.

Indonesia is Asia's largest oil and gas exporter, and depends on both for the bulk of its export earnings and Government revenues. Over the past two years the Government has acted to combat the effects of falling prices by slashing project spending, devaluing the rupia to 970 to the U.S. dollar, from 703, and subsequently running a managed float of the currency.

At the same time, the Government has introduced the June 1983 banking changes, with the chief aim of mobilising domestic resources. Previously, Bank Indonesia directly controlled the credit ceilings and interest rates of the five state banks which dominate the system, and supplied them with subsidised liquidity credits.

The June changes abolished the credit ceilings, removed limits on interest rates offered on time deposits and ended rollovers of expiring liquidity credits. The volume of time deposits at all banks swelled rapidly as they increased rates in competition for funds. By the end of 1983, such deposits had grown by more than 50 per cent.

Some of the increase resulted from the repatriation of funds moved offshore before the devaluation. The convertibility of the rupiah is a feature of Indonesia's economy which the Government is determined to maintain, but may have made it more tricky for the banking reforms to take root.

Nervousness about the rupiah's exchange rate has persisted. The first scare came at the start of last year, when relatively slack economic growth and a shortage of lending opportunities, saw rupiah funds going offshore and inter-bank rates hardening substantially to reach 31 per cent.

Bank Indonesia then unveiled double discount window facilities, with one window offering 15-day money, extendable for two weeks and another providing 30-day money, extendable for two months. It also introduced the Sertifikat Bank Indonesia instrument (SBI)—certificates of indebtedness to provide a home for short-term funds.

The autumn crisis in the inter-bank market appeared to blow up for two reasons. *Figures for the increase of* credit since the start of the year suggest that—as economic growth picked up, many banks lent out funds raised by the June, 1983 reforms. This meant that others which had grown more dependent on the inter-bank market started having to pay more for funds.

Secondly, with the U.S. dollar riding ever higher, the rupiah depreciated. It had taken a year to reach 1,000 to the U.S. dollar and was still at 1,009 in May. But from a point a week up to June, the pace of depreciation became two points a week in July, four in August and six in September, bringing the exchange rate to 1,076 at the latest.

In the panic occasioned in September, when the inter-bank market touched a day-to-day rate of 90 per cent some banks were forced to the discount window for the first time. Others sought corporate wholesale deposits by raising their rates—and were criticised by the central bank for starting a rates war. Others did neither, and breached their ceiling on dollar borrowings offshore to safeguard their rupiah obligations.

The authorities reacted by announcing a special credit facility at a penal rate of 26 per cent, to be repaid in two parts, in six months and one year, and a fixed limit for each bank on inter-bank borrowing of 7.5 per cent of all deposits.

The rupiah's slide against the dollar came to a halt and reversed into gains.

It is the economic consequences that worries bankers most. For the most part they welcome the changes of 1983-84, even if they believe the reforms have a long way to go. But they worry about prospects for their main business—financing the growth of Asia's fifth-largest nation.

Kretek fever hits the traditional cigarette

BY KIERAN COOKE

IF COUNTRIES have individual odours, then in Indonesia it is the aroma of the locally made clove cigarette, the kretek. Most of the male population in this country of 160m seem to smoke this pungent, rather sweet smelling cigarette. Kretek is also catching on overseas.

In the last four years exports *have grown by more than* 400 per cent. While traditional markets such as Sinkapore and Malaysia steadily expand, the big boom has been in the U.S., where excited Indonesian merchants are talking about "kretek fever."

Indonesia has nearly 300 kretek producers but only five of these are involved in the export market. The biggest exporter at the moment is the Bentoel group which sells about 50m kretek overseas each month—about 5 per cent of its total production.

Other companies, such as Djarum and Gudang Garam, are *also making a big push for* export sales. Gudang Garam is the biggest producer of kretek *in Indonesia. It is also, with* 40,000 workers, the second biggest employer, after the state-owned oil company, Pertamina. Each day about 30m kretek are produced at its factories in the town of Kediri, East Java.

The most remarkable thing is that nearly half this production is made entirely by hand. Thousands of girls sit in long lines rolling the mixture of cloves and tobacco: for an eight to 10 hour day in which a girl would produce about 3,000 kretek, she is paid one American dollar. Government regulations lay down that only a certain number of machines may be used in the kretek industry, and that it must be kept labour *intensive in order to soak up* some of the 2m people who come on to the labour market each year. Despite the large work force, Gudang Garam is clearly a company making a considerable amount of money.

It is run strictly as a family business, and no figures are ever published. But company officials proudly say they pay US$20m each month in tax to the Government. It is believed that the company makes at least half that figure in clear profits in the same period. But the company has been making investments in the past few years in very sophisticated and expensive cigarette making machinery. The British Molins Group has made significant sales to the company, as has Comas of Italy and Hauni and Focke of West Germany. These machines are being used to produce the filtered, more up-market brands of kretek which are growing in popularity both overseas and on the home market.

In fact, the machine made kretek has made such in-roads domestically that it is threatening the very existence of the white cigarette trade in Indonesia. Companies like the giant UK-based BAT Industries producers of a wide range of white cigarettes in Indonesia, have seen their sales slump dramatically over the years. In 1973 white cigarettes made up 43 per cent of the Indonesian market. Ten years later that figure was down to 28 per cent.

Last year, BAT saw its profits in Indonesia slump by more than 20 per cent, to US$5.7m.

THE ARTS

Television/Christopher Dunkley

Repartee and reportage

For a television critic Christmas and the New Year always seems to bring the same things: a larger than usual proportion of rubbish on screen, and a series of parties at which fellow guests, upon discovering one's job, go through a rigmarole which, although it may vary in the order of presentation, invariably contains the same constituents. These include the mock incredulous question "*Do you really have to watch all the time?*" the anxious disclaimer "Of course *we hardly see any television at all*" (even within the last year I have been fed the old chestnut "*We only have a set for the au pair*") and then a detailed description of the *shortcomings of the most* recent episodes of *Dallas* or *Dynasty* or *Tenko* or *The Price Is Right* or all four.

When I murmur that I rarely see more than the opening episode of such series and hardly ever write about them subsequently I am regarded as either a liar or someone who is obviously falling down on the job. It is hard to persuade anyone who does not read the FT that although it is standard practice in the heavy Sunday papers and the weekly journals for tremendously witty television critics to use all their space ridiculing the programmes they spend their lives watching, there are actually other ways to do the job.

Quite often there are other critics at these parties—theatre critics, music critics, art critics—and it is noticeable that their jobs cause less curiosity and comment than mine. Indeed I know from my own experience, albeit brief, as a film and book critic that while such jobs can certainly lead to lively conversations about the subjects of one's work—films or books—the very process of television criticism causes endless fascination. People rarely bother to ask how you go about being a book or film critic, perhaps because the answer is pretty obvious.

But many people are agog to know how you operate as a television critic: Do you see *everything in advance?* Do you watch on big screens in cinemas? If so, isn't it quite *different watching in the morning on a large screen instead of in the evening on a small screen? Do you have lots of* television sets at home? Does it mean your children watch more than *they should?* Do you use a video recorder? Do you have to watch breakfast *television? Don't you get* terribly bored having to watch all those soap operas? Aren't you *afraid that so much rubbish* will addle your brain?

The answers to the factual *questions are fairly easy. Some* television critics preview practically everything because these *days their newspapers demand* their articles well ahead of publication. I don't preview much *because the FT has always* taken a longer-term view, endeavouring to identify move*ments and comment on trends* rather than simply to review individual programmes. Most *previews are screened on* ordinary television sets but some use cinema screens. Increasingly *video recordings are available* in advance "on demand" to suit individual critics.

After a while you become professionally adept at making critical considerations at ten in the *morning in Piccadilly or* Soho instead of at ten in the evening in Kentish Town. I *have several television sets at* home because my work often clashes with the family's needs. However, I have been *known to* use my own duty as a critic to steer my children's viewing away from their entertainment preferences to more worthy material. I use not one video recorder but two because that almost liberates me from the dictates of the broadcasters: I can record and play back precisely when I want to.

However, what seems to concern the party guest most is not these professional details but the addled brain question. Over the years I have come to realise that although asked of me it is really directed at themselves, and if articulated *honestly it would go* "I watch far too much television but presumably you, as a critic, watch *even more. If you're still sane* perhaps there's hope for me." The unquestioned assumption is *that the overwhelming majority* of what we all watch is dreadful rubbish; indeed this is often *aggressively asserted as though* it were partly the fault of the television critic.

It is at this point that I invariably make my mistake, convincing my interlocutor that I *am already half crazy or, worse,* part of a sinister television plot to reduce the nation's mind to *jelly. I defend television, pointing* out that the proportion of good to bad is much as it is in *any other area of human endeavour*: music, books, cooking, dance, newspapers or what you will. There is a little that is excellent, a little more that is good, an awful lot that is *mediocre* and a vast heap of rubbish.

Do you realise, I ask, that *over Christmas* you could have watched two splendid programmes on Channel 4 called *Vidal in Venice* in which admittedly Gore Vidal was occasionally too clever by half but *how much better than all those* game shows with people being too stupid by half, and anyway *the pictures were gorgeous*. Did you watch Baryshnikov in his American Ballet Theatre pro*duction of Don Quixote*, I ask, and the Scottish Ballet's *Nutcracker* and the Royal Ballet's *Tales of Beatrix Potter* and *Romeo and Juliet* or the Kirov's *Giselle*?

Did you see BBC 2's *Pavarotti at Madison Square Garden* and Channel 4's programme about a year in the life of Domingo called *Placido*? Did you watch Jonathan Miller's astounding version of *Rigoletto* with the action transposed to 1950s Manhattan? What about all the classic films — *The Gold Rush, The Big Sleep, High Noon, Brief Encounter*? At this point my questioner starts to protest: "Those are just the old films they show every year."

Christmas treats: Joan Hickson as Miss Marple; author/politician Gore Vidal

Then did you watch the Taviani brothers' *Kaos* or Ingmar Bergman's *Fanny and Alexander* or *Kramer vs Kramer* or *The Deer Hunter*, all being shown for the first time? Well, no, they all happened to be at awkward times . . . and anyway you can't really call old movies proper television, can you? You can, of course, but what of television's own material then: *Miss Marple*,. *The Body in the Library* on BBC 1 proving that Agatha Christie *can* be done well on television if you get the accents and the social niceties right as well as the frocks and the steam trains; ITV's new version of *Kim*, BBC 2's magnificently cast *Much Ado About Nothing*, BBC 1's vivid *Box of Delights*, ITV's two episodes of *Minder* and BBC 1's derivative but nevertheless highly entertaining and professionally slick *Give Us a Break?*

All this, I point out was screened during a holiday period when the proportion of good quality was even lower than usual and all the current affairs programmes were (shamefully) off the air, yet still there was more worthwhile stuff than most viewers could hope to watch — with or without a video recorder. At about this point my fellow guest often begins to get really upset and even angry and if he (or she, more often she actually) is aggressive enough he will start to imply or even to declare quite plainly that television criticism is scarcely a proper job for an intelligent person.

I know then that we have reached the nub of the business. We are not and have not been talking about the quality of television programmes but about the quality of the viewer's will power. It is surely no great mystery: if hamburgers, fish and chips, Kentucky Fried Chicken, and a four-course meal including soup, roast meat, salad and pudding were brought to the front door every night many people would choose the convenience foods more often than not. If all the morning papers were delivered every day many people who take this paper or The Times or the Daily Telegraph would succumb to temptation and read the Daily Mail or Daily Mirror instead.

When the nation comes to sit down after a hard day's work and discovers that television is simultaneously delivering *Macbeth, Penniless In Pickering, Snooker* and *Dallas* to the fireside (well, radiator-side) it is no *great surprise* that the last two attract most viewers even from among those who would describe themselves as more serious and demanding in their tastes. Nor is there any great personal virtue in a critic choosing to watch the first two; we are, after all, paid to watch, and it is, surely, the higher quality material that we *should* be writing about.

As with the book review page of this newspaper or the music notices or the art criticism, the object of this column *in 1985 will continue to* be the celebration of high quality rather than ridicule of the low, no matter *how many* of my fellow guests limply opt for *Dallas*.

Handel centenary/St John's

Max Loppert

This year marks the tercentenary of Handel's birth. British celebrations *began on a very* high level, on Monday, with a rare performance of *L'allegro, il penseroso ed il moderato* sponsored by the BBC (and broadcast live) on behalf of the European Broacasting Union. It was a level, indeed, that one hopes will serve as guide and goal the rest of the year; for the music was of a quality to send Handelians (and no doubt others as well) into prolonged ecstasies, and the playing and singing were fully worthy of it.

This "vernal masterpiece" (as Winton Dean has aptly *called it*), *more* extended cantata than oratorio, demonstrates the peculiar abundance, fer*tility, and largeness of* Handel's genius, and its capacity for turning the apparent disadvantage of *subject* and literary content to unprecedented dramatic advantage. The first two parts are Charles Jennens' adaptation for musical purposes of Milton's poem; the third is Jennens' own appendage, an apostrophe to moderation in all things. Milton's verse structure is not of a kind that naturally invites musical equivalent, while Jennens' dull pieties would seem to be of a kind that must positively rapel them. Yet on this rather unpromising frame Handel lavished some of his most gloriously colourful, robust, and original musical apparel.

The libretto constructed by Jennens out of Milton follows an *alternation of lively and* thoughtful humours; out of that simple, and apparently constricting, quality Handel draws a miraculous variety of musical styles, forms and images, of numbers matched and contrasted to form a succession *wonderfully bright* in its parts and cogent as a sequence. The use of a carillon obligato is its *most extraordinary colour* device, but not its most remarkable, for the power to mint new such well-tried formulas as a "bird" aria for soparon and flute soloists, or a hunting song for baritone and *hallooing* horn, points up the sheer pictorial vividness quite as forcefully.

And to almost all of it a rapturous proto-romantic evocation of nature and countryside — specifically the English countryside — supplies the essential key.

The orchestra and chorus were the Raglan Baroque Players and *Singers*, the conducter was Nicholas Kraemer. About the whole performance, even the *marginally* less inviting early stretches of *Il moderato*, there was a sense that the music was being allowed to pursue its course and make its points without forcing or inflation, and it was very winning. There was a generous supply of soprano soloists (not all, I felt, exactly matched to the numbers allotted them)—Partizia Kwella, Gillian Fisher, Bronwen Mills, and the *delightfully* uninhibited treble Nicholas Sillitoe. The men—Wynford Evans and William *Kendall (tenors)*, Stephen Varcoe (baritone)—were cultivated and sensitive. It was, in *all, a notable occasion*: if the Handel year goes on like this, we shall never want it to end!

Young Artists/Purcell Room

Dominic Gill

The Park Lane Group's annual "Young Artists and 20th-century Music" series is with *us again: twice nightly at the* Purcell Room this week a succession of young performers, *chosen at auditions last spring*, give shared recitals of music of the present century. Of the 53 *works by 43 composers to* be played, six are by Kenneth Leighton and four by George Benjamin — by which *token it* can be said they are the season's "featured" composers.

The first of the four young artists presented at Monday evening's recital was the oboist *David Wilson — who has the* adventurous, but I think fundamentally misconceived, idea of com*bining his solo performances* with slide projections. He is an excellent oboist: but Britten's *Six Metamorphoses* can stand or fall in recital very well without the addition of Mr Wilson's brother's paintings projected on a screen. None of Vinko Globokar's scores, and *most particularly the virtuoso* study in circular breathing *Atemstudie*, calls for graphic *amplification. Most curious of* all was Mr Wilson's decision to display the graphic score of *one piece by one composer* (Cornelius Cardew) on a screen while playing a quite separate and unrelated piece (*Gilbert* Amy's *Jeux*) by another: very baffling, very Zen.

Elizabeth Anderson is already quite well known as the cellist of the Trio Zingara. The tone *is warm, the manner easy and* attractive: her gentle account of Janacek's little *Fairy Tale* was *instantly arresting*—a fine-spun web beside the unassuming, wistful and really quite pleasantly somnolent *Alleluia Pasche Nostrum* for solo cello and piano by Kenneth Leighton. The other duo was for flute (Anna Noakes) and harp (Louise Johnson). I liked their account best of Michael Finnissy's *Kagama-Jishi*, delicately, neatly turned.

Vanity Fair/Donmar Warehouse

Martin Hoyle

Vanity Fair is nowhere near Quality Street. Those Napoleonic uniforms, cutaway coats and high Empire-line waists have hoodwinked readers into believing Thackeray a softer touch than Dickens. But if he lacks the younger man's gift for hard-nosed journalistic thrust, Thackeray's detached irony displays the gentle incisiveness of, say, a Waugh. His view of recent history in *Vanity Fair* was as sardonically unsparing in its depiction of a society's foibles and follies, as jabbingly disrespectful of sacred cows, as any of our modern moral satires.

Cheek by Jowl have arrived in Covent Garden for a season, *and the strengths of an acting* company of (here) five men and three women are soon apparent. *The novel's narration* is shared between them (in their *Pericles*, also on offer soon, Ancient *Gower's chorus* is similarly distributed). Each player takes several roles; far from slowing the action down this leads to a cinematic fluidity as when the cold splendours of the Marquess of Steyne's town mansion seamlessly turns into the impoverished Sedleys' genteel refuge and back, simply by means of the same actors switching character in the course of conversation.

Declan Donnellan's production at times adopts a split-screen technique, with characters on either side of the stage separately conveying a scene that in fact they share, pieces of a visual jigsaw. The stylisation leads to gloriously desperate Glorvina O'Dowd setting her cap at the gallant Dobbin as she warbles Irish ditties from the bearded mouth of Andrew Collins. There are moments which remind us that such stylisation is a hair's breadth from village hall romps: some of the other travesty parts are perilously close to pantomime dames; but the company's typical virtues of intelligence, vigour and clarity strip the fripperies from what is revealed as a pretty nasty set of grasping egotists.

Sadie Shimmin has a pushiness that is just right for Becky; she also has the basic good nature that, puzzlingly, makes this repellent little gold-digger stubbornly likeable. "I am innocent," she protests when surprised with admirers amidst her hoarded wealth; and you believe it — or rather, you believe that *she* believes it. This Becky resembles Lulu in the straightforward impulse of her selfishness; she is a natural; totally sincere in the pursuit of her own well-being. And slightly common into the bargain.

Duncan Bell's bloodless Steyne has the icy relish of dissolute exhaustion combined with almost contemptuous good breeding; no mere milksop, Amanda Harris's Amelia has her moments of gross egotism; and Simon Dormandy's loyal Dobbin, slipping into the third-person narration to remark "never had he felt so lonely and so miserable" as he beams brightly at the unattainable, is just right.

Amanda Harris, Martin Turner (partly obscured) and Duncan Bell

Alexander Baillie/Elizabeth Hall

David Murray

It was a long cello-and-piano evening on Monday, and the final effect—despite the excellence of the performers—was less of a genuine duo-recital than it should have been. It was as if the pianist Piers Lane had asked somebody at the interval, "Am I too loud?" and been told Yes; the closing Franck sonata (the cello version of the famous violin one) was intimately studied and sensitive, but dramatically reduced. The main climaxes come anyway in the cello's least heroic register, and the piano was so loyally deferent that what we heard was something more life "Private Meditations on Franck's Sonata."

Even that had its rewards, for there was sterling musicianship throughout. Before it came Toru Takemitsu's new *Orion*, half post-Romantic rhapsody for cello and half quasi-Japanese keening in quarter-tones and portamenti, with an accompaniment similarly divided between impressionist evocation (with warm nods toward Messiaen) and exotic twanging inside the piano. (Being tall, Lane managed that witha reasonable dignity, but composers regularly forget how awkward it is to reach over the music-stand to get at the strings: the visual distraction often sabotages the aural effect.) Distinctly appealing music, if leisurely, and Alexander Baillie showed fine declamatory flair in his last cadenza.

Takemitsu's quarter-tones induced a little uncertainty at first, because there had been some inadvertent ones earlier in Schubert's "Arpeggione" Sonata when the cello was playing in thumb-position (was some of that easier on the now-extinct *arpeggione*?). But otherwise Baillie and Lane gave a splendidly ripe account of the Schubert, subtly witty and unafraid of rollicking too when rollicking is that the sonata invites. It rarely sounds like so sturdy a piece.

At that stage Lane was still playing fully up, and one could admire his strength and finesse as much as his rigorously faithful accompanying. That was true also in their opening work, Prokofiev's late, ruminative Sonata op. 119, where Baillie's pungent satisfying tone captured a lyrical breadth that the work seems sometimes to lack. One hopes very much that Lane's return to Australia this summer won't mean the end of their distinguished partnership.

Tippett exhibition

A display of the music manuscripts of Sir Michael Tippett has been mounted by the British Library to commemorate the composer's 80th birthday.

The exhibition, open until March 31, is in the Manuscript Saloon, in the British Library's exhibition galleries, Great Russell Street, London, WC1.

Cinderella/Beck Theatre, Hayes

Alan Forrest

A winter excursion out to Hayes from Paddington is not one of the great rail journeys, but the excell*ent Beck Theatre* is an oasis in that desert of the soul of outer West London. A lot of people from far and wide are making the journey to see the show that features Dennis *Waterman* in pantomime for the first time. He says he was bullied into it by his children.

He makes a pretty acceptable Buttons—certainly it is feasible that he might have had a chance with Cinders before Prince Charming came along, a better one, at least, than some of those ageing northern comedians I've seen doing the part over the years. He lays on what might be called the Cockney charm quite unashamedly and misses no opportunity to remind us of Minder, even to the point of comparing Baron Hardup's (Peter Purves) wage-paying methods to "that other fellow."

Prince Charming is played with old-fashioned principal boy panache by Rula Lenska—I liked the way she pretended she'd hurt her hand every time she slapped her thigh. Cinderella is played sweetly by Annabel Etkind and Jane Danielle adds to the long list of Dandinis I've fancied ever since the age of the Francis Laidler shows.

The big scenes—the coach, the ball—go quite well, although I've seen more dancers present at a bad night at the Mecca in Leeds, but we're all having to tighten our belts these days, even pantomime producers.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Jan 4–10

Theatre

NEW YORK

Cats (Winter Garden): Still a sellout, Trevor Nunn's production of T. S. Eliot's children's poetry set to trendy music is visually startling and choreographically *feline*, but *classic* only in the sense of a rather staid and overblown idea of theatricality. (239 6262).

42nd Street (Majestic): An immodest celebration of the heyday of Broadway in the '30s incorporates gems from the original film like Shuffle Off To Buffalo with the appropriately brash and leggy hoofing by a large chorus line. (977 9020).

Torch Song Trilogy (Helen Hayes): Harvey Fierstein's ebullient and touching story of a drag queen from backstage to loneliness incorporates all the wild histrionics in between, down to the *confrontation* with his doting Jewish mother. (944 9450).

Dreamgirls (Imperial): Michael Ben*nett's latest musical has now* become a stalwart Broadway presence despite the forced effort to recreate *the career of a 1960s female pop* group, a la Supremes, without the quality of their music. (239 6200).

Brighton Beach Memoirs (Neil Simon): If he wasn't sure before, playwright Neil Simon can expect a long *run* of his funny as well as touching childhood *reminiscences* now that the Nederlander organisation has generously decided *to* name the theatre after the generation's outstanding box office draw. (757 8646).

A Chorus Line (Shubert): The longest-running musical ever in America has not *only supported* Joseph Papp's Public Theater for eight years but *also* updated *the musical* genre *with its* backstage *story* in which the songs are used as auditions rather than *emotions*. (239 6200).

The Real Thing (Plymouth): After 14 months in *London, Tom Stoppard's* latest giggle at the English intelligentsia, with a new-*found* attention to the heart that beats beneath the veneer, directed at a fast clip by Mike Nichols. (239 6200).

Glengarry Glen Ross (Golden): The Chicago cast from the Goodman Theatre provided David Mamet with a Pulitzer Prize for his latest work that pits fast-talking real estate salesmen against the world and each other. (239 6200).

Balm in Gilead (Minetta Lane): John Malkovich's energetic but nostalgic revival of an early Lanford Wilson play *brings back the wide-eyed*, drugged out 1960s and 70s to the accompaniment of Bruce Springsteen songs. (420 8000).

Sunday in the Park with George (Booth): Inspired by the Seurat *painting, Stephen Sondheim fashions* a musical with dots and dashes of song that end too soon but work well with *Tony Straiges's pretty set* and James Lapine's book which changes gears in the second act. (239 6262).

Noises Off (Brooks Atkinson): The closest Broadway gets to the British *farce tradition is this* import of Michael Frayn's funny backstage view of all the slamming doors and drop*ping drawers*. (245 3430).

La Cage aux Folles (Palace): With some tuneful Jerry Herman songs, Harvey Fierstein's adaptation of the French film manages, barely, to capture the feel of the sweet and hilarious original between high-kicking and gaudy chorus numbers. *(757 2626)*.

LONDON

The Real Thing (Strand): Jenny Quayle and Paul Shelley now take the leads in Tom Stoppard's fascinating, complex, slightly flawed new play. Peter Wood's production strikes a happy note of serious levity. (836 2660/4143).

Daisy Pulls It Off (Globe): Enjoyable romp derived from the world of Angela Brazil novels: gym slips, hockey sticks, a cliff-top rescue, stout moral conclusion and a rousing school hymn. Spiffing if you're in that sort of mood. (437 1592).

Noises Off (Savoy): The funniest play for years in London, now with an improved third act. Michael Blakemore's brilliant direction of backstage shenanigans on tour with a third-rate farce is a key factor. (836 8888).

Starlight Express (Apollo Victoria): Andrew Lloyd Webber's rollerskating folly has 10 minutes of Spielberg movie magic, an exciting first half and a dwindling reliance on indiscriminate rustling around. Disneyland, Star Wars and Cats are all influences. Pastiche score nods towards rock, country and hot gospel. No child is known to have asked for his money back. (834 6184).

On Your Toes (Palace): Rodgers and Hart's 1936 musical is a genuine tonic. American jazz dance collides with the Ballets Russes. Gems include There's a Small Hotel, Glad to be Unhappy and the Balanchine ballet for *Slaughter on Tenth Avenue*. (437 6834).

42nd Street (Drury Lane): No British equivalent has been *found* for New York's Jerry Orbach, but David Merrick's tap-dancing extravaganza has been rapturously received. American Clare Leach is a real find as Peggy Sawyer, and Margaret Courtenay has a field day (836 8108).

Mother Courage (Barbican): Fine RSC presentation by the design team of Cats – John Napier and David Hersey – with Judi Dench as a scavenging, music hall and finally moving Courage pushing her elaborate cart of stage machinery through the *Heavyside Layer. Howard Davies* directs, good support from Trevor Peacock, Stephen Moore and Zoe Wanamaker. *(628 8795)*.

Phedra (Old Vic): Glenda Jackson remarkable as the nearly incestuous *tragic queen in a thrilling production* by Philip Prowse. Costumes of shot silk and taffeta, and Robert David *MacDonald's* translation bravely takes on the challenge of Racine's untranslatable Alexandrines. Gerard Murphy, Tim Woodward and Georgina Hale in a strong cast. (928 7616).

Two Into One (Shaftesbury): Donald Sinden and Michael Williams head the cast of a blissfully funny farce by *Ray Cooney* in the *old Whitehall* tradition. An irate manager, Lionel Jeffries, declares: "There's far too much sex going on in this hotel, and I'm not having any of it." Not to be missed. (379 5399).

هكذا صدر الأصل

RESOURCES REVIEW

OIL REFINERY OVERCAPACITY IS A GLOBAL PROBLEM—BUT THE PROFITS SQUEEZE HAS BEEN ACUTE IN THE CARIBBEAN AND THE U.S.

One of the toughest times in memory

By William Hall in New York

THE U.S. refining industry is going through one of its toughest periods in living memory. Many of the independent refiners are teetering on the edge of bankruptcy, several of the U.S. majors cannot run their refineries at a profit and scarcely a week goes by without news of another major refinery closure.

Chevron and Texaco, the two largest refiners in the U.S., reported combined losses of more than $300m on their refining operations in the first nine months of 1984 and Exxon, which is regarded as one of the most efficient refiners, saw its domestic refining profits in the third quarter plummet from $171m to $20m.

Texaco recently halved the output of its legendary 402,000 barrels a day Port Arthur refinery in Texas and laid off half the 3,000 workforce. Last quarter it announced a $205m writedown of its world refining operations and Citgo, the largest independent marketer of gasoline in the U.S., said it was cutting production at its Lake Charles refinery, the 10th biggest in the U.S., from 258,000 b/d to 140,000 b/d.

Oklohoma refining recently field for protection under chapter XI of the U.S. bankruptcy code and Wall Street analysts believe that it is only a matter of time before more of the non-integrated independent refiners which do not have access to cheap crude oil go the same way. They are losing between $2 and $5 on each barrel they refine.

More than 200 U.S. oil refineries have been closed since 1981, trimming U.S. refining capacity by 2.6m barrels a day but oil industry executives believe that another 2m b/d of capacity at least, or 25 to 30 refineries, will have to be closed if the industry is to be restored to financial health.

The last couple of years have been traumatic for the more than 200 refineries still operating in the U.S. Sluggish demand, chronic excess capacity and fierce competition have taken a heavy toll. Despite the heavy cuts in capacity, U.S. refineries continue to run at no more than 75 per cent of acapacity, between 10 per cent and 15 per cent below acceptable capacity utilisation levels.

Refining margins on the Gulf coast, home of around two-fifths of all U.S. refining capacity, have dropped from around $1.50 a barrel in 1979-80, according to Wright, Killen & Feldman, a Houston consulting firm, to a negative $1.45 in the third quarter of the current year.

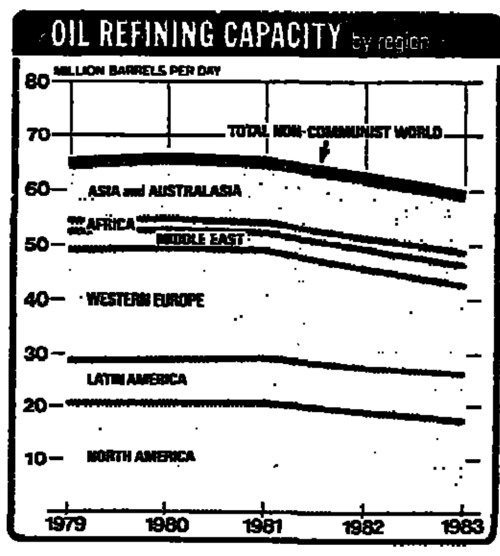
There are several reasons for the current parlous state of the U.S. refining industry. The most pressing problem is the sharp drop in oil product prices relative to crude oil prices. U.S. spot gasoline prices are down by over 10 per cent on a year ago. This is a much steper fall than has occurred in the cost of most U.S. refineries' crude oil supplies and means that refinery margins are being severely squeezed.

In addition, U.S. refiners have spent hundreds of millions of dollars in recent years upgrading their refineries to take lower quality crude oil and produce higher quality, lighter, products such as gasoline as opposed to residual fuel oil, which has traditionally been less profitable.

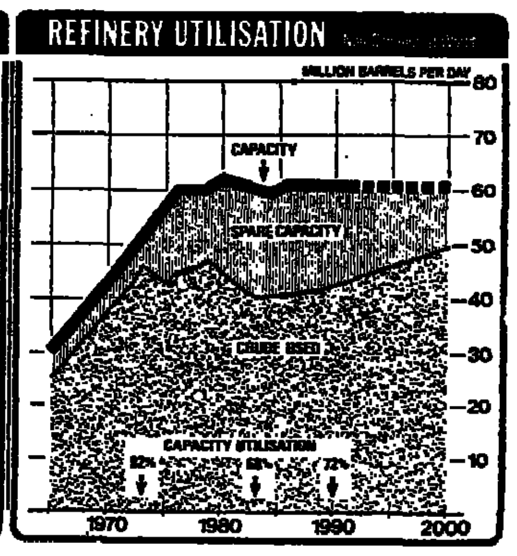
However, these investments have not yet paid off, and the margin between light and heavy refinery products has narrowed considerably, undermining the economics behind some of the refinery conversion projects. Spot residual fuel oil prices in the U.S. are unchanged on the year by contrast with the pronounced weakness in U.S. refinery prices. Part of the problem is that the long coal strike in the UK has led to increased demand for residual fuel oil for UK electricity production.

The eventual end of the UK coal strike should take the pressure of residual fuel oil prices and help restore differentials to earlier levels. On the other hand it will not affect rising imports of gasoline which are already exacerbating thte troubles of the domestic U.S. refining industry. A decade ago, the U.S. was importing just 1 per cent of its gasoline.

OIL REFINING CAPACITY by region



REFINERY UTILISATION



By 1984, gasoline imports accounted for 2 per cent of U.S. consumption and last year close to 7 per cent of U.S. consumption was met by imports.

U.S. gasoline consumption has been falling for several years and although it has begun to rise again in the current year, most analysts expect it to decline for the rest of the decade. This factor when coupled with the growing competition from imports and the new refinery capacity now coming on stream in the Middle East means that U.S. refineries are going to remain under pressure for some time. Further substantial restructuring of the industry is expected. If imports continue to rise as rapidly as they have in the recent past, the U.S. refining industry is likely to begin an aggressive campaign to impose restrictions on imported products.

Shutdown threat shows the danger of operating well below capacity

By Canute James in Kingston

THE IMPENDING shutdown of the Lago Oil and Transport Refinery in the Netherlands Antillean island of Aruba indicates the danger facing Caribbean refiners, who have been operating well below capacity because of the weakening oil market. A number of refineries face closure—with serious economic consequences for the area.

Lago Oil is a wholly-owned subsidiary of Exxon and the 440,000 b/d refinery has been underpinning the economy of Aruba, providing 60 per cent of the government's revenue. Since the refinery along with another owned by Shell in neighbouring Curacao, is being fed by crude, from nearby Venezuela, it has struggled to compete with mainland installations in the U.S. and Latin America, which have access to domestic oil. There is speculation that Curacao like Aruba cannot survive much longer.

The Lago facility was processing 290,000 b/d a year ago but this fell to 180,000 b/d earlier this year. More recently, Lago Oil said it was cutting operations to 90,000 b/d and that it had estimated its losses this year would be about $50m.

The Netherlands Antilles government has taken a close interest in the problems but appeared to have been surprised by Exxon's decision late last year to mothball the plant in March. The U.S. Government has since come under pressure from Venezuela to persuade Exxon to keep the refinery open but so far there is no sign of a change of heart.

Although the problems of the refinery, and those of the Shell installation, are primarily economic, the situation is thought locally to have been compounded by Venezuelan anger at confusing positions of the Netherlands Antilles administration during the Falkland Islands dispute and by agreements to have the British Navy making calls in the Dutch islands.

It was the removal by Venezuela of the Netherlands Antilles from the status of a "favoured country" which precipitated a cut in the volume of crude being sent to the Antillean refineries.

But the problems are economic. It has been operating well below capacity and has tried to cut operating costs through a programme which included redundancies. The Shell plant reported losses last year of Netherland Guilders 42m (U.S.$23m).

Industry officials in the Netherlands Antilles say the threat to the refineries may not immediately affect the operations of the two major oil terminals—Exxon's of 300,000 bpd in Aruba and Shell's 2m bpd (said to be the largest in the world) in Curacao. The Netherlands Antillean administration has been meeting Venezuelan Government officials to discuss the possibilities of keeping the Lago refinery going.

One posibility is a buy-out by the government of the refinery. There was, however, great doubt that the money could be easily raised. If the government does take control of the plant, it would be emulating the administration in neighbouring Trinidad, which has reached agreement with Texaco for the purchase of the country's largest refinery.

The 350,000 bpd refinery was bought by the government for $175m. The purchase does not include Texaco's marine operations. The buy-out came after several months of negotiations after Texaco reported its Trinidadian operations had become uneconomic.

The conclusion to the negotiations followed a fall in the company's production in the first half of this calendar year. While the country's oil output rose by a half of 1 per cent to 162,326 barrels per day over the corresponding period of last year, Texaco Trinidad's output fell by 21 per cent.

The oil sector accounts for 80 per cent of the country's export earnings, and the softening of the market has put the economy under pressure. Output peaked at 230,000 bpd in 1978 compared with last year's average production of around 170,000 bpd.

"We need to get the Texaco refinery up to about 120,000 bpd to make it economical," said Mr Patrick Manning, Trinidad and Tobago's Energy Minister. The plant has been running at about 60,000 bpd. "We have to get the refinery efficient—to break even at best, but we must be careful not to make it unprofitable."

The refinery's profitability, and that of the other in the country, the state-owned Trintoc, with a capacity of 100,000 bpd, could be assisted by a plan proposed by the Trinidad Government, that it does the refining for its neighbours in the Caribbean economic community. The other countries in the English-speaking group have not been enthusiastic about the proposal.

Jamaica's refinery of 30,000 bpd was bought last year from Exxon, and is fed by crude from Venezuela under the San Jose accord.

In Antigua, the 20,000 bpd refinery, owned by the government and National Petroleum of Bermuda, is at a standstill. An agreement with Nigeria last year is yet to realise any crude to feed the plant, but the government would prefer to do its own refining.

Barbados is keen on developing its domestic oil industry following its purchase last year of the lucal wells and a refinery from Mobil.

Recent agreements between Barbados and Cluff Oil of Britain and Petrocanada have resulted in an intensification of exploration.

There is growing concern in the U.S. Virgin Islands over the future of Amerada Hess 728,000 bpd refinery on the island of St Croix. There is again talk of the possible closure of the facility.

There is some scepticism in the Virgin Islands, however, about the company's commitment to closing the refinery. for new refineries. The government of St Kitts-Nevis recently signed an agreement with an unnamed Canadian company to construct a refinery on the island.

The over-capacity in the region has not dampened plans

Conoco makes major North Sea gas discovery

BY DOMINIC LAWSON

CONOCO, the U.S. oil company, has made a major gas discovery in the North Sea, 40 miles off the Lincolnshire coast.

The discovery well in block 48/11b tested 48.8m cu ft of gas and 300 barrels of very light oil per day. This is one of the best flow rates achieved by a North Sea gas discovery well. It is believed that the field could contain about 1,000 bn cu ft of gas.

This is well above the size at which a gas field in the Southern basin becomes commercial, although Conoco said yesterday that additional drilling would be needed to determine the size of the discovery.

About half of the reservoir is thought to spill over into an adjoining block licensed to Atlantic Richfield, Union Rheinische, Mobil and Sun Oil.

Conoco's partners in the discovery are Britoil (33 per cent) Tricentrol (25 per cent) and Saxon 7 per cent. Conoco has a 35 per cent interest in the block. Saxon's shares jumped by 35p yesterday on the London stock market. Tricentrol gained 15p and Britoil added 8p.

The discovery is the latest in a string of promising gas drilling results in the UK sector of the North Sea, and is sure to be seized upon by opponents of British Gas's proposed acquisition of $30bn of gas from Norway's Sleipner gas field. British Petroleum in particular has argued that the UK sector of the North Sea can supply all the likely UK gas demand for the rest of the century.

But British Gas insists that imports of gas in the 1990s will be necessary, even assuming a moderately successful gas discovery rate in UK waters.

● North Sea contracts worth £48m were announced yesterday. Marathon, the U.S. oil company, has awarded work for the construction of modules for the Brae B platform to companies based in North East of England.

Redpath Engineering in Middlesbrough will build the 1,500 tonne construction module. Press Production systems will construct two wellhead modules at its Hadrian yard at Wallsend, Tyne and Wear. Davy Offshore Modules will build modules weighing 1,000 tonnes at its Middlesbrough yard.

Work on all contracts will start mid-year, and is expected to create about 260 jobs, according to Marathon. The total value of the contracts is about £22m.

● Saipem UK, the UK arm of the Italian oil construction company Saipem SpA, has won a £24m order from Shell for the construction this year of three North Sea gas pipelines, involving the Sean and Indefatigable gas fields.

● A second windmill-type aerogenerator has been ordered by the South of Scotland Electricity Board. The board said in Glasgow yesterday that it is planned to build the machine on the lower slopes of the Pentland Hills at Castlelaw near Penicuik, on ground farmed by the East of Scotland College of Agriculture.

The 60 kW aerogenerator will have a 15-metre diameter rotor fitted with three blades, and is to be mounted on a 20-metre tubular tower. It is hoped it will be operating in the spring of next year.

The board's first aerogenerator, a 15 kW machine, has been in operation since August, near Prestwick, Ayrshire and is supplying information which is now being logged and monitored.

The order for the new aerogenerator has gone to James Howden of Glasgow. The board now obtains about half of its power from nuclear stations and also uses significant amounts of hydroelectric power, as well as power from coal and oil.

The North of Scotland Hydroelectric Board also operates an aerogenerator at Burgarhill, Orkney.

'Progress' on Sizewell safety issues

FINANCIAL TIMES REPORTER

FULL SAFETY clearance could be given for Britain's first pressurised water reactor power station by October, the General Electricity Generating Board (CEGB) told the Sizewell B Inquiry yesterday as it resumed after the Christmas recess.

Mr Brian George, the board's project director, said good progress was now being made on outstanding safety issues and he was confident all matters would be resolved within nine months.

Mr Paul Woods, a deputy chief inspector for the Nuclear Installations Inspectorate, said he felt January 1986 was a more realistic target, however. The CEGB has to obtain a construction licence from the inspectorate before it can proceed, subject to government approval.

Mr Woods said progress in resolving outstanding issues had improved after the setting up of the new project management team involving the CEGB and the National Nuclear Corporation.

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Hard facts on infrastructure

TODAY'S *meeting of the* National Economic Development Council—only the second since *the trade unions returned to* the council table—could do much to determine whether these meetings will again make a constructive contribution to policy-making, or whether they will *degenerate into a periodic* shouting-match. The secretariat, under its director, Mr John Cassel, has provided material for a valuable work programme —and also, unfortunately, material which, like snow, can readily be picked up, compressed and thrown.

This is the drawback of the directorates' observations, careful and sensible though they may be, on macro-economic policy. Nedo sees little hope of any significant fall in unemployment before the end of the decade on present trends; but nor does anybody else. It suggests that at present a cautious reflation would run a minimal risk of provoking renewed inflation, a view which begs the question of what constitutes a "cautious" injection of demand.

The Government may well feel that its injection of funds raised by asset sales and unexpected oil revenues already constitutes quite a bold experiment within the letter of the financial strategy, especially since both public sector borrowing and monetary growth look quite likely to breach their official ceilings, and sterling is weak. The recent buoyancy of retail sales, exports and the stock market suggest that there could indeed be a change of trend. This does not seem a good moment, either politically or on the economic facts, to bang the pessimistic drum.

Questions

It is to be hoped, then, that all three sides can avoid the exchange of well-known slogans, and concentrate instead on the specific issues raised in the Nedo paper on the planning and control of public sector capital *and maintenance expenditure.*

This is the result of much detailed work, but raises fundamental questions about *administration and,* indeed about economic policy.

The administrative charge is that while criteria for new investment in the public sector seem to be quite well specified and articulated, so that *Ministers* can take sensible decisions about priorities consistent with their own *policies, decisions* about maintaining existing capital are an administrative *slum area.*

Some departments—notably health and education—lack even basic information about the capital stock for which they are responsible, and its condition. Life-cycle costs are often left out of account in designing new investment and programming manitenance. The result is a potentially costly backlog of essential work, while some of the money which is spent goes to waste.

Sidetrack

While the ghost of Plowden—*who introduced Whitehall to the* idea of medium-term expenditure planning—can clearly be *heard protesting against* annual cash planning, this report makes an obviously important non-*ideological point about value-*for-money; and as Mr Roy Jenkins has pointed out, while debt *is a burden for future* generations, run-down infrastructures could be a bigger burden. The *Government,* with its interest in efficiency, should need no lecturing to grasp the central point.

This report could also perhaps sidetrack the debate which has now sprung up about whether investment or tax cuts would do more for jobs. The real point about investment is whether it shows a real return; and large future savings on neglected upkeep could constitute the most generous return on offer. Decisions based on hard facts like these, rather than on rival theorising, are likely to produce *the best results.*

Swapping jobs in Washington

WHAT St Andrew's is to golf, such is Washington to connoisseurs of political in-fighting. The steady rise of James Baker to his pre-eminence as chief of staff in President Reagan's White House has given a pleasure to *aficionados* comparable to that afforded by an Open championship unmarred by rain. So the news that Mr Baker is to leave the White House to take the more distinguished but far less powerful post of Secretary of the Treasury is causing as much excitement in Washington as if the Open champion had *missed an* 18-inch putt on the last green. On a closer look, however, Mr Baker has not slipped up, and his grasp of the Washington game appears as masterly as ever.

Mr Baker is what is called in President Reagan's Washington a pragmatist. He is not, that is by those standards a conservative. Not to put too fine a point on it, he is anathema to the conservatives. In the beginning there were few White House watchers who would have given much of Mr Baker's chances of surviving as against those of Mr Edwin Meese, the conservative representative in Mr Reagan's palace guard. Yet by sheer ability, as well as by loyalty to the Administration's interests, broadly conceived, he imposed himself as indisputably the most powerful man in the White House—always excepting the President himself.

Rivalry

*Since President Reagan's re-*election in November, the rivalry between pragmatists and *conservatives has been deadly,* even if much of the struggle has issue involved is the Administration's *strategy* towards the been in private. The main Federal budget deficit, now ballooning beyond $200 billion a year. In the background are other issues dear to the conservatives, which the pragmatists find distasteful—such as abortion, prayer in public schools and the rest of the agenda of the Moral Majority.

To simplify a conflict of some complexity, *the pragmatists*—led by Mr Baker, abetted by the budget director, Mr David Stockman, and with considerable support from the Republican leadership in Congress, with Senator Robert Dole at its head—argue that the Administration simply must get the deficit under control quickly. They would like tax increases—if any politician can be said to like them. Failing that, they demand deep cuts in defence spending.

Conservatives, led by the Secretary of Defense, Mr Caspar Weinberger, and by the President's close friend, Mr William Clarke—who has just resigned as Secretary of the Interior—minimise the urgency of tackling the *deficit,* utterly reject tax increases, and want defence spending cut as little as possible.

Influence

The President has steadfastly sided with the conservatives on tax increases and on defence spending. Intriguingly, at the Treasury, Mr Donald Regan took exactly the President's line, while Mr Baker is thought to have pressed for a more positive response to the deficit. The battle between the conservatives and the pragmatists, however, seems to have come to a head over the holidays, when the President, pressed by Messrs Weinberger, Clark and Casey (of the Central Intelligence Agency), stood by James Baker. William Clark, who was the conservative candidate for Mr Baker's job, subsequently reshuffle may not be over. Powerful figures in Washington like Mr Richard Darman (Mr Baker's right-hand man), Mr Drew Lewis, the Secretary of Transportation, and Mrs Jeane Kirkpatrick, are still pressing for an enhanced role.

For the moment, two things are clear, and one is very much to be hoped for. It is clear that *the President is very much in* charge. He has clearly signalled to the conservatives that he is *comfortable with the pragmatists* around him: at the same time he has trimmed the ship *so that the conservatives,* having lost the battle, are not humiliated into the bargain. It is also clear that Mr Baker's influence in his new job will remain unimpaired.

As the struggle over the budget moves to Capitol Hill, it will be his task to lead the Administration's effort to shape a successful attack on the deficit. It is probable that this will involve reviving the idea of squeezing savings out of social security and other "entitlement" programmes available to middle-class people who, the Administration will argue, do not really need them. What is not so clear, and is earnestly to be hoped, is that in all the clever moves and counter-moves sight will not be lost of the determination to reduce that overhanging deficit.

THE PROBLEMS OF DIVERSIFICATION

Schlumberger's silicon slip

By Guy de Jonquieres and Ian Hargreaves

FOR more than half a century Schlumberger, the large international oil services company, has guarded *its* affairs with a near-obsessive secrecy. When M Jean Riboud, *its authoritarian chairman,* makes a public statement of strategy—as he last did to New York *securities analysts* in April 1980—it is a special occasion indeed.

The thinking he outlined then was visionary. Schlumberger's business, he said, was not about the oilwell but about information—the ability "to collect, to transmit, to compute, to analyse, to interpret data." To stay on top, the company must master the new technologies which were revolutionising information processing. The way forward, he confidently declared, was to become a world force in the microelectronics industry.

Five years later—despite massive investments of cash and management time—Schlumberger *is still searching for* a formula to make petroleum and silicon mix. The synergy which *M Riboud predicted between* the two has been slow to materialise and the company is *struggling to wring profits from* a string of high-technology businesses acquired since the *late 1970s.*

Schlumberger's experience is indeed an object lesson in the *risks which many large com*panies face in trying to tap the growth potential of advanced *information technologies. Like* Exxon, the U.S. oil company, and West Germany's Volkswagen group—*which have both lost* money diversifying into office automation—it has found that harnessing *Silicon Valley's* mercurial promise can defy even the most determined management.

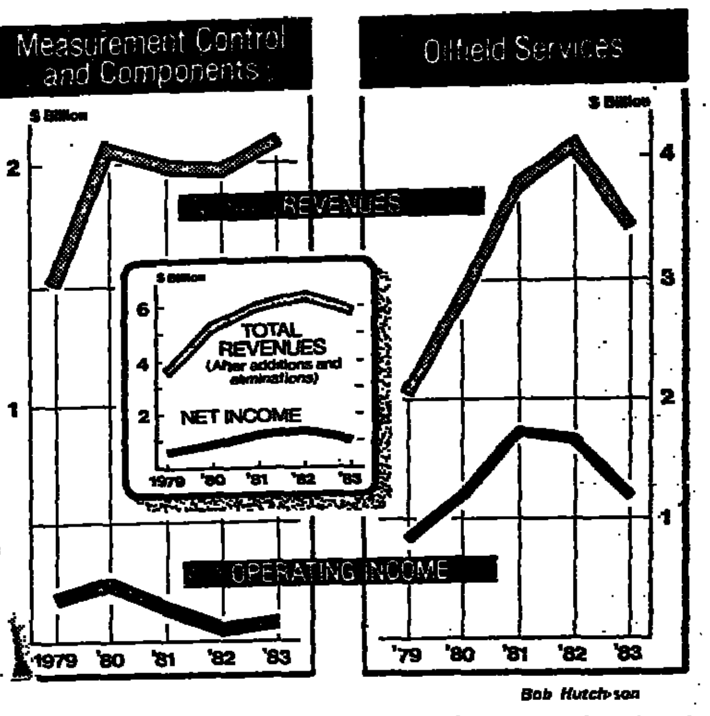
Schlumberger's most severe disappointment is Fairchild, the ailing U.S. seminconductor company purchased for $425m in 1979, which M Riboud called the "keystone" of his strategy. Schlumberger has since pumped in a further $1bn, yet Fairchild remains in fragile health after losing more than $250m since 1981.

M Michel Vaillaud, Schlumberger's president, who has spent a quarter of his time just dealing with Fairchild, concedes that the headaches are not over yet. "The next six months will *obviously be difficult for* the semiconductor industry worldwide," he said recently in a *rare interview.* "*The problem* for us is to know whether Fairchild is going to be in severe *trouble again or just in normal* trouble."

Schlumberger is not accustomed to being *thrown off* course. Its 60-year history is one of almost unchecked growth based on *leadership of the* highly specialised world market for oilwell measurement. Its record of success has bread a profound—even arrogant—conviction in its ability to prevail through superior management and far-sighted planning.

With headquarters in both Paris and New York—its top executives commute regularly between both cities—it is a unique blend of American business professionalism and the austere protestant tradition of its French founders. Its guiding values are a highly-developed sense *of* independence, an aggressive will to win and an almost mystical spirit of corporate *purpose which* transcends national boundaries.

JEAN RIBOUD



Bob Hutchison

M Vaillaud admits that Schlumberger has its hands full attending to its high-technology interests and says it is not seeking to acquire any more just yet. But he insists that its grand design remains intact and its commitment to Fairchild unlimited: "*We could go on for*ever. We are peasants. It could take 100 years. If it takes 100 *years, it doesn't matter.*"

Nonetheless, Schlumberger's focus appears recently to have *shifted back to the business it* knows best. It has just completed the $1.1bn takeover of Sedco, a Texas-based drilling company after paying $440m last year to take full control of Dowell-Schlumberger, which specialises in the unglamorous but profitable business of oilwell cement.

According to M Vaillaud, the Sedco purchase was simply too good an opportunity to miss. "It is just a question of timing," he says. "There was a time to buy electronics when oil prices were high. Its time to buy oil services now that the situation is the exact opposite."

Schlumberger can afford to take the long view. Even in 1983, an indifferent year by its standards, its operating income *totalled* $1.23bn on revenues of $5.5bn. This was due largely to oilfield services, which pro*duced operating income* of $1.19bn on revenues of $3.4bn and assets of $2.9bn. The company's other activities yielded a meagre operating income of $61m on revenues of $2.1bn.

Schlumberger's most successful expansion outside oil services — which are examined in more detail below — has been in measurement and control. This predominantly electro-mechanical business, which had total revenues of about $1.3bn last year, has been built up from a series of acquisitions stretching back more than 30 years.

Its operations span water and gas metering, electricity management systems — in all of which Schlumberger claims to be in first or second place worldwide — and a range of smaller specialised businesses.

Patient and skilful management has steered measurement and control to a healthy profit: its overall return on investment is about 16 per cent. But its growth prospects clearly do not excite Schlumberger's top decision-takers. "The trouble is that measurement and control is very European based," says M Vaillaud and suffers from what he calls "*the general problem of Europe*"

Nonetheless, Schlumberger's own talents appear better suited to the mature, institutionalised markets in which M and C does most of its business than to the fast-changing entrepreneurial climate of California's Silicon Valley.

Fairchild, the oldest of the U.S. semiconductor companies, was admittedly floundering when Schlumberger bought it. But Mr Tom Roberts, the finance expert picked to take charge of it, had no previous experience of the industry and has been accused by some observers of taking a heavy-handed approach. A few days ago, Mr Roberts left Fairchild on indefinite "leave of absence."

Fairchild's test equipment business has prospered. But its semiconductor operations *have remained precarious,* in spite of a 50 per cent rise in its research and development budget every *year since* Schlumberger took over. Last year, the industry's best ever, it just scraped into the *black* in the third quarter.

Schlumberger's move into computer-aided systems has also brought mixed results. Applicon, a U.S. pioneer of computer-aided design, bought in 1981, has steadily lost market share. "Applicon is struggling," says one American industry analyst. "The next two years will be make or break."

A still larger question looming over Schlumberger's *medium-term future* is management succession. M Riboud, now aged 65, is generally ex*pected* to retire in three years after more than two decades at the helm.

M Riboud, *who declined to be* interviewed, is a man of paradoxes. A multi-millionaire whose company *is registered in* the tax haven ofthe Dutch Antilles, he is a self-professed Socialist and *close confidant of France's President Mitterrand.* An advocate of decentralised management who *keeps Schlum*berger's central staff pared to the bone, he keeps a tight grip on every aspect of its affairs.

"Yes we are decentralised But Riboud runs everything," says M Vaillaud, "To say he is king is not enough."

M Riboud has said only that his successor will come from within the company, though M Vaillaud is widely tipped as the front-runner. A 52-year-old technocrat who joined Schlum*berger 12 years ago after run*ning the French Industry Ministry's oil and gas division, *his informal and good-humoured* style contrasts with M Riboud's public reputation for Olympian *aloofness.*

His views on Schlumberger's operations also have a down-to-earth ring. We are engineers selling to engineers," he says, adding that he expects the bulk of the company's business to be oil-related for at least the next 15 years. Significantly, perhaps, he is said not to have been part of the inner circle which decided on the risky Fairchild acquisition.

In any case, prudent administration of the Schlumberger empire may be a greater priority for its next chairman than defining bold new horizons. Even M Roland Genin, a company veteran of more than three decades, who calls himself "a product of Schlumberger." admits that change is inevitable. "Without Riboud, Schlumberger will be different." he says. "You can't chop off *the head and think the whole* thing will go the same way as before."

'WE NEED TIME IN ORDER TO BE READY'

SCHLUMBERGER'S remarkable success in oil services has been based upon its ability to outmanoeuvre U.S.-based rivals in markets outside North America, tight cost control in the cyclical oil exploration business and excellent technology.

The idea of buying Sedco, according to Roland Genin, chairman of the executive committee and number three in the Schlumberger hierarchy, drifted up from the operational end of the company. When rig utilisation rates picked up slightly in *1984, oil services* management felt the time was right to extend Schlumberger's own *fleet of semi-submersible,* floating rigs. But for the cost of a dozen new semis, Schlumberger *found it could* buy Sedco, the world leader in semi-submersible drilling, with a fleet of 28 vessels, half of them modern.

The priority now, says M Genin, is to merge Sedco with Schlumberger's own drilling company, Forex Neptune, "and then shake them out so that the best people go to the top." This emphasis upon people as the prime concern of top management is at the heart of Schlumberger's management philosophy.

The combination of Forex's position in land-drilling, Sedco's leadership in semi-submersible drilling and Schlumberger's progress with advanced drilling technology and *systems for* continuously measuring drilling results promise to set Schlumberger *in a head to head contest with* the U.S.-based Halliburton group.

***The acquisition of Sedco,* however, does appear also to represent a move to increase market share and the volume of output in Schlumberger's most *profitable activity* rather than a visionary push to some new technological frontier. It would be wrong, however, says M Vaillaud, to think that Schlumberger will be content merely to own a larger portion of an oil-drilling market, whose fluctuating price structure gives it the characteristics of a commodity market.**

Schlumberger's *aim,* he says, is to become the complete oil services contractor, working for oil companies not on daily drilling rates, but on contract at given rate *per foot drilled* —and a rate carrying a premium to reflect Schlumberger's expertise and technology.

But so *far* footage rates *are only common in the U.S.* where the smaller, independent oil companies need all-purpose service support and where, ironically, Schlumberger *has not done* as well in drilling as it expected. Outside the U.S., and especially offshore, where most of Sedco's rigs operate, the major oil companies dominate the picture and they will take a lot of convincing that Schlumberger's drilling expertise matches their own.

The fact that the oil industry is expected to continue stumbling in the face of falling oil prices for the next five years is, says M Vaillaud, an advantage for Schlumberger's strategy. "It will take us three years to get Sedco and Forex together and three years to continue developing drilling technology, so if the drilling business does not recover before the end of *the 1980s that's not a problem* for us. We need this time in order to be ready."

Men and Matters

Beards, booze and business

The ban on beards which Electronic Data Systems has extended from its Dallas headquarters to some 300 Vauxhall and Bedford staff in the UK would probably provoke an equally irate response elsewhere in the U.S.

The recently acquired General *Motors* subsidiary, which H. Ross Perot founded 23 years ago, has an unequal*led reputation among* U.S. corporations for its strict, some say almost paramilitary, cor*porate culture. The reputation* has been enhanced by Perot's well-publicised exploits, like *the 1979 raid he organised on* a Teheran prison to free two EDS executives.

Apart from the ban on beards, alcohol and casual dress, the EDS "recruit" is required *to sign* a code of ethics in which employees promise to conduct themselves" in the *centre of the field* of ethical behaviour, not along the sidelines."

Most other major U.S. corporations with strong corporate cultures have much more subtle — often unspoken, let alone unwritten — rules and regulations. These are aimed at discouraging potential employees who "don't fit" and encouraging the assimilation of those who do.

Corporations which have written codes of ethics and behaviour usually stress respect for the individual. International Business Machines (IBM) for example, has a reputation for liking managers to wear blue shirts and "quiet" suits, and frowning on alcohol consumption.

But the computer giant's 30-page "Green Book," called Business Conduct Guidelines, which is essential reading for trainee IBM'ers, emphasises IBM's "interest in maintaining respect for your private life."

Elsewhere, a new breed of equally pervasive "corporate counter-cultures" is evident. These often embrace and foster an employer's dress whims. Thus at Apple Computer, tee-shirts, blue jeans and running shoes are almost a uniform. Apple's chief executive, John Scully, a marketing man from Pepsico, appears to have set out to preserve Apple's special brand of corporate culture. One pay-day last year, tickets to the film "Indiana Jones and the Temple of Doom" were put in everybody's paychecks.

On Wall Street, too, times are changing. At First Boston, a very bearded Bill Lambert holds the title of creative director in the investment bank's high-powered mergers and acquisitions department.

Someone once complained, reported Institutional Investor magazine, about Lambert's long hair, beard, Levis and bare feet. First Boston's chairman, George Shinn, replied: 'That young man has earned a lot of money for this firm. He can wear whatever he likes."

"Have you tried Dunlop?"

NHS runner

Victor Paige, the avuncular 59-year-old who has just taken on the awesome task of chairman of the National Health Service — "more of a pioneering challenge than a daunting prospect" — was in cheerful enough form yesterday.

After just two days as head of the NHS, he was back in his old haunts at the Port of London Authority, where he was chairman for four years, to open a new £200,000 cruise terminal at Tilbury in Essex.

A keen sports fan, Paige was a talented 440 yards runner with ambitions to represent Britain in the 1940s. "I always used to watch for the postman when they were picking the teams. I was always disappointed but never totally surprised," he says.

Now being paid *£70,000* a year to run the NHS, he approaches the job with the mental toughness which, he says, athletics breeds.

Tightening up the organisa*tion of the NHS, the biggest* employer in Europe, will be a priority. "Its management style *has not kept pace with the tech*nology of health care," he says.

Charlton's goal

Jack Charlton, former England centre-half and now manager of Newcastle United, is to help *launch a new employment enter*prise trust in his native south-east Northumberland.

The agency, Senet, has the backing of some major local companies and £100,000 a year support from three local authorities, and will operate in communities like Ashington, Newbiggin and Bedlington in the heart of the Northumberland coalfield.

Charlton, brought up with brother Bobby in Ashington where his father was a coal-face worker for 44 years, has been a staunch supporter of the miners and the need to provide alter*native work in the coalfields.*

"I have always been a believer in the numbers game," he says. "A lot of little things can add up to something bigger. With decline in the traditional industries, it is desperately important that every opportunity is taken to stimulate new employment here."

First class

French commuters travelling first class by *rail* between Paris and Le Havre will soon be able to enliven their two-hour journey by taking English lessons.

Similar projects have already been tried with language labs on Belgian trains, but this is French railway's *first experiment.* The idea is part of a campaign to revolutionise the SNCF's image *which started with free enter*tainment on the Paris-Marseilles line in 1979. Typing and telex services aboard trains *carrying* business executives are also planned.

The English lessons—an *idea* suggested by Jean-Claude Lansier, director of languages at Le Havre *chamber of com*merce—will be given by British instructors and will cost *FFr 1,900 (£175) for 20 sessions.* Classes of six people will be taught in specially reserved *compartments.*

Any profits in cash—like those in public relations—will be shared by the SNCF and Le Havre chamber of commerce.

Spoonful of sugar

Any U.S. taxpayer who can *spare the time to leaf through* the 649 pages of the Arthur Young Tax Guide (subtitled "*The Official IRS Tax Guide*") might find some interesting ways to save a buck or two.

A random dip, into page 358, revealed that any fees paid to an Indian medicine man, for instance, are deductible.

Observer

BASE LENDING RATES

A.B.N. Bank	9½%	■ Hill Samuel §	9½%
Allied Irish Bank	9½%	C. Hoare & Co. †	9½%
Amro Bank	9½%	Hong Kong & Shanghai	9½%
Henry Ansbacher	9½%	Johnson Matthey Bkrs.	9½%
Armco Trust Ltd.	10½%	Knowsley & Co. Ltd.	10½%
Associates Cap. Corp.	9½%	Lloyds Bank	9½%
Banco de Bilbao	9½%	*Mallinhall Limited*	10 %
Bank Hapoalim	9½%	Edward Manson & Co.	10½%
BCCI	9½%	*Meghraj and Sons Ltd.*	9½%
Bank of Ireland	9½%	Midland Bank	9½%
Bank of Cyprus	9½%	■ Morgan Grenfell	9½%
Bank of India	9½%	Mount Credit Corp. Ltd.	9½%
Bank of Scotland	9½%	National Bk. of Kuwait	9½%
Banque Belge Ltd.	9½%	National Girobank	9½%
Barclays Bank	9½%	National Westminster	9½%
Beneficial Trust Ltd.	10½%	Norwich Gen. Tst.	9½%
Brit. Bank of Mid. East	9½%	People's Tst. & Sv. Ltd.	10½%
■ Brown Shipley	9½%	Provincial Trust Ltd	11 %
CL Bank Nederland	9½%	*R. Raphael & Sons*	9½%
Canada Perm'nt Trust	9½%	P S. Refson	9½%
Cayzer Ltd.	9½%	*Roxburghe Guarantee*	10 %
Cedar Holdings	11 %	Royal Bk. of Scotland	9½%
■ Charterhouse Japhet	9½%	*Royal Trust Co. Canada*	9½%
Choulartons**		■ J Henry Schroder Wagg	9½%
Citibank NA	9½%	Standard Chartered ‖	9½%
Citibank Savings ¶	10½%	Trade Dev. Bank	9½%
Clydesdale Bank	9½%	TCB	9½%
C. E. Coates & Co. Ltd.	10½%	Trustee Savings Bank	9½%
Comm. Bk. N East	9½%	United Bank of Kuwait	9½%
Consolidated Credits	9½%	United Mizrahi Bank	9½%
Co-operative Bank *	9½%	Westpac Banking Corp.	9½%
The Cyprus Popular Bk	9½%	Whiteaway Laidlaw	10 %
Dunbar & Co. Ltd.	9½%	Williams & Glyn's	9½%
Duncan Lawrie	9½%	Wintrust Secs. Ltd.	9½%
E. T. Trust	10 %	Yorkshire Bank	9½%
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	11 %		
■ Robert Fleming & Co.	9½%		
Robert Fraser & Ptns.	10 %		
Grindlays Bank ‡	9½%		
■ Guinness Mahon	9½%		
■ Hambros Bank	9½%		
Heritable & Gen. Trust	9½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 8.25%. 1 month 7.00%. Fixed rate 12 months £2,500 8.75% £10,000, 12 months 9.00%.
† 7-day deposits on sums of under £10,000 6¾%, £10,000 up to £50,000 7¼%. £50,000 and over 8%.
‡ Call deposits £1,000 and over 6¾%.
‖ 21-day deposits over £1,000 7¼%.
¶ Mortgage base rate.
§ Demand deposits 6%.
** See Provincial Trust Ltd

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THE EUROPEAN COMMUNITY

A time of hope for Europe

By Christopher Tugendhat

AS I leave the service of the European Community in Brussels, I feel a twinge of envy for my successors. My eight years have often been hard and disputatious. But a number of recent events, decisions and initiatives suggest that a new era of opportunity might be about to begin.

My first reason for optimism is the settlement of the British budgetary contribution. M Emile Noël, the highly respected Secretary-General of the Commission, recently described the British case as "a basically just claim pressed too hard, up against the hesitancy and procrastinations of her divided partners." If only Herr Schmidt and M Giscard, the then dominant European leaders, had recognised that claim in 1979 instead of promoting a derisory offer which challenged Mrs Thatcher to show what she is made of, the Community could have been saved a great deal of agony.

As it is, the British problem dominated the European Council from Dublin in November 1979 to Fontainebleau in June 1984. The failure to resolve it became a barrier to progress in other fields, an excuse in many capitals to stop thinking about other issues and made Britain the scapegoat for the Community's ills. Now the linkage between the words "British" and "problem" has been broken and the conditions created in which everyone can get down to building for the future.

No excuses can be found in the other recent controversies. The future financing of the Community, budgetary discipline and the penalisation of surplus agricultural production have all been decided upon in 1984. The first still requires parliamentary ratification in the member states and the other two will need time to overcome their teething problems. But the key decisions have been taken and will not be undone.

To take agriculture first: The key problem here has always been the unlimited nature of the intervention system. This far more than high prices has led to the creation of surpluses. Nowhere is that more true than with milk which alone absorbs around 18 per cent of the budget. Consequently last March's decision to introduce quotas is highly significant. It is the biggest step ever taken to limit intervention and so to control costs. It also provides a precedent for tough action in other fields. No wonder farm ministers and farmers all over Europe are trying to resist its practical implementation.

They must not be allowed to succeed. Not only the public purse and the rationalisation of production are at stake. Agriculture is the biggest single cause of conflict between Europe and its trading partners. They, too, are often at fault but we should do all we can to stop excessive support for agriculture from threatening the open trading system.

The importance of the new system of budgetary discipline lies not so much in its guidelines for curbing CAP and other forms of expenditure as in the opportunities it creates for finance ministers to become involved *in decisions* affecting agriculture. If they take their responsibilities seriously, this innovation could at last ensure that agricultural spending decisions are taken within the context of overall economic priorities.

It is vital they should be if the Community is to avoid another financing crisis within a short time. The increase in the VAT ceiling from 1 per cent to 1.4 per cent which parliaments *will* be asked to ratify *during* 1985, may look large. But in real terms the yield from customs duties and agricultural levies, the Community's other sources of revenue, is declining. Consequently the real expansion in *its spending capacity is* less than 25 per cent which must cover both the costs of enlargement and the British rebate.

It is thus clear that the Community will not in future develop through the large-scale proliferation of *common expenditure* policies commonly financed. The existing activities covered by the budget will continue to expand and others will be added. But apart from agriculture, their total scale will remain modest by *most national* standards and they will have to be carefully targeted to achieve significant results.

One reason for this is the differing circumstances and domestic priorities of the member states. *But another is the* recognition that the political bargaining process in the Council of Ministers and between the Council and the European Parliament in the budgetary procedure is not an efficient way of setting priorities or allocating scarce resources. The need for unanimity or at the least agreements involving large numbers *of disparate interests has* all too often led to confused objectives and extravagances.

Brussels: Gaston Thorn (left) greets Jacques Delors, his successor as president of the European Commission.

In the coming phase, the Community will develop primarily in ways which do not cost money. I should like to deal with two whose time I believe has come.

First the creation of a real common market: the aim is easy enough to state. We must enable goods and services allowed on the market in one country *automatic access to all* the others. We must also enable managements to consider the Community as a single market where they can take decisions on the basis of economic efficiency rather than constantly *having* to *try to maximise* the benefits, and minimise the disadvantages arising from the continued existence of separate national markets.

The means are easy enough to state as well — the drastic *simplication of frontier procedures,* the harmonisation of standards, the removal of the bias in favour of national suppliers in public purchasing and the adaptation of the legal and taxation systems of the member states so that they become sufficiently transparent, non-discriminatory and compatible with each other to ensure *that fair competition across* frontiers is possible.

The programme, however, will be difficult to fulfil. Every special interest that feels threatened will try to rouse its government and public opinion *against it.* Progress *will* not be made in the sort of dramatic leaps and bounds that attract favourable publicity but through the undramatic pursuit of what will often seem boring and rather minor issues. In my *view, timetables with deadlines* and specific objectives backed by the authority of the European Council have an essential role to play. So too may majority voting.

My second priority is the *further development of the* European Monetary System. I believe the EMS has proved to be the most powerful instrument currently available for achieving economic policy coordination and convergence. *This is because parity* realignments are taken jointly with collective assessments of the economic measures needed to support them in both the devaluing and revaluing countries.

That these assessments are acted upon in both and not just the weak represents an unprecedented degree of voluntary co-operation in economic policy-making. It also helps to promote continuous frank and detailed exchanges between the participants in normal circumstances. That in turn leads to continuous slight adjustments being made to keep the ships in the convoy more or less in formation and certainly more so than would otherwise be the case.

What should now be done? Much attention is currently devoted to encouraging the official use of the ECU while its private use continues to burgeon. I am in favour of both but would prefer at this stage to lay emphasis on three points requiring political decisions at the highest level.

Germany should grant the ECU foreign currency status. Britain should bring sterling in to the exchange rate mechanism. And those countries which maintain exchange control and other obstacles to the free movement of capital should do as much as possible to dismantle their regulations. The foundation would then really be laid for what in Brussels would be called a "European monetary identity."

My final reason for optimism is enlargement. No doubt it will bring problems. But the prospect has already stimulated a search in public and behind the scenes for ways of improving the Community's decision making and administrative procedures.

I hope it will lead to the establishment on a rolling basis of an action programme on which member states and the Community institutions can work. What I have in mind is something like the programmes which parties negotiate before governments are formed in countries whose institutional arrangements result in coalitions with one important difference. The member states are now too diverse to be able to do everything in the same way and at the same time. Rules of procedure must be found to enable those who feel unable to participate in new policies to opt out at least for a time instead of trying to prevent others from going ahead.

The author was the Vice-President in charge of the Budget, Financial Institutions, Taxation and Financial Control in the European Commission from January 1981 to January 1985.

Britain's newspapers

Rapid success of the freesheet revolution

By Sue Cameron

ALL OVER Britain, traditional *paid-for newspapers* are coming under increasingly severe pressure from freesheets.

Latest figures suggest that the total advertising revenue of freesheets in 1984 has caught up with that of the weekly paid-fors. And in 1985 they are expected for the first time to open up a significant lead.

The latest victim of the "freesheet revolution" is the Telford Journal—a local weekly newspaper that first appeared in 1854.

The Journal, owned by Shropshire Weekly Newspapers, which is part of the Midland News Association group, was a traditional paper and those who wanted to read it had to pay for the privilege in the traditional way. But at the end of last month harsh economics forced the company to amalgamate the Journal with its sister paper, the Telford Trader, which is given away free.

Several factors have been put forward to account for this radical switch in the weekly newspaper market. Among them are population changes, the advent of local radio and TV, cost advantages and the needs of the all-important advertisers. But one of the most dramatic aspects of the seemingly inexorable rise of the freesheets is the speed with which it has happened.

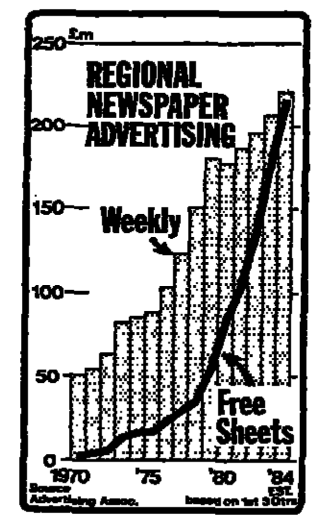
There are still more paid-for *weeklies than free newspapers* —950 as against some 700. But in terms of circulation—the key factor when it comes to attracting advertisers — it is now estimated that some 21m freesheets are pushed through *people's letterboxes every week* while a mere 9m copies of weekly paid-fors are sold.

The big attraction of free newspapers for advertisers is that they offer total penetration of a particular geographical area. *But ads in a paid-for* weekly will only be seen by those who buy or borrow the paper. What is more, freesheet proprietors can draw on the cheap end of the labour market —young people earning pocket *money before or after school* and housewives working part-time during the day—for distribution.

Even more attractive to advertisers have been the comparatively cheap rates offered by the freesheets.

The paid-for weeklies—many of them founded in the last century—tend to have their own printing works with all that that entails in terms of overheads and, sometimes, industrial relations disputes. But free *newspapers have grown* up using contract printers which has enabled them to keep their costs down and to avoid industrial problems.

But it is not only cheap advertising rates and comparatively *low costs that have* enabled free newspapers to replace paid-fors in so many areas. (The Newspaper Society reckons that over the last five years 185 weekly paid-for papers have disappeared in Britain, either because *they have been* closed down or because they have been merged with freesheets.)



In the great days of local weekly newspapers, people did not switch on the radio or the *TV to find out about a major* fire or a bank raid or an increase in the penny rate in their area. Now they do. The airwaves, moreover, relay local news almost instantly—whereas the news in a local paper can *be five or six days old.*

This is one reason why freesheets can be successful even though many of them have much less editorial content than the traditional weeklies. Indeed, some freesheets do not have any local news at all—just advertising. *Journalists' salaries add* considerably to newspaper costs and freesheets have managed to shave their costs further by dispensing with reporters altogether or by keeping numbers to a minimum.

Some paid-for weeklies used to enjoy monopoly positions within their areas and had become lazy and sluggish as a result. This, too, aided the incoming frees in building up their market share.

However, not all paid-for weeklies are commercial disaster areas. And some proprietors have hit back at the free parvenus in the marketplace. One of the favoured methods of fighting back has been for weekly newspaper owners to start up their own freesheets—as in the case of Shropshire Weekly Newspapers and the Telford Trader. A number of other big newspaper groups have also started or bought up free papers. Last November United Newspapers' takeover of Link House brought it a 31 per cent stake in the Yellow Advertiser, one of the most successful of the freesheet groups. And last week, Fleet Holdings, which already owns free papers in the West Country, announced that it had bought some free titles in North London.

In the future, life is likely to become tougher for the freesheets. Having sounded the death-knell for many traditional paid-fors, free newspapers are now having to compete fiercely against each other in some areas. One result is that some frees are now putting more news into their papers, which along with the temptation to build their own printing plants will inevitably put up costs.

But whatever difficulties may lie ahead—*the possibility that* the Chancellor may impose Value Added Tax on all newspapers is the threat looming largest in the minds of most proprietors at present—freesheets are clearly here to stay. Last year the Newspaper Society, which has always represented the traditional paid-for weeklies and has long been disdainful of freesheets, finally agreed to allow them into membership.

Letters to the Editor

An alternative to the dole

From the Corporate Planner and the Employment Initiatives Officer, Borough of Thamesdown

Sir,—Your article "An alternative to the dole" (December 3) refers to the offering of work in specially set up projects, of benefit to the community, for all men and women who have been unemployed for a minimum of six months of a year, by topping up the benefit rates. It rightly refers to the community programme as one example and suggests that this could be expanded, and that the criteria for project design could be adjusted.

We feel, however, that it is worth mentioning that, before any expansion to community programme schemes takes place, some consideration ought to be given to the recently-revised eligibility rules for entry and the overall types of scheme being encouraged, which greatly affect the progress of this scheme for both its participants and its managers.

New rules mean that people who have been out of work for more than 12 months, with a partner who is *earning a wage* and who will not normally be eligible for benefits, will be prevented from joining the scheme.

Within our scheme we have encountered a number of people who very much need, and would benefit from, a place on a community programme scheme but who are now prevented from doing so. These include men over 58, who have been unemployed for over a year, married women who gave *up work to look after children,* and some men/women who worked part-time before becoming unemployed.

The amended rules now affect the viability of a number of schemes, which were in the application stage before October 1, and will also affect those existing schemes which are looking for continuation funding at the end of the first year's operations. In our case, it is evident that 16 of the present workforce (out *of* 78) *would* not now be eligible. The only way in which the scheme in the future is likely to be viable is if it concentrates on the "pick-and-shovel" type of project. Even in an area as relatively buoyant as Swindon, this does not offer an entry into work because of the lack of demand for semi- and unskilled labour.

It is for this reason that we have attempted to identify projects *which* are, perhaps, less obvious, but of direct benefit to local people—for example, bringing active sport and arts activity into the community—which is having an astonishing response amongst the local people, and *setting up, in* collaboration with a private company, a *remote* "electric warden" project for old people remaining in their own homes.

Because of the change in the rules, it seems likely that these innovative projects could not be given continuation approval, and yet they are both of at least equal benefit to the community as clearing canals and clearing derelict land.

Chris Firth and Sue Phipps,
Civic Offices,
Swindon, Wilts.

Transport policy

From the Chairman, Strategic Planning and Transportation Committee, Cheshire County Council

Sir,—I read with interest Mr Young's comments and support for Nicholas Ridley's transport policies on January 2. Our comments on the White Paper on "Buses" are not sniping at Nicholas Ridley's policies but are a constructive *suggestion* towards achieving his objective of reducing the rate of increase of subsidy and at the same time protecting the interests of the public transport user.

On all bus services there are times of the day on the heaviest loaded routes when the peak loading may have to support the costs of running an evening service. To allow a free-for-all so that individual operators can cream off the profitable journeys *with no responsibility* for the costs of the less profitable journeys will result in a great reduction in services, unless there is to be a substantial increase in levels of subsidy.

*Mr Young implies that co*ordination and subsidisation of public transport leads to inefficiency. This has not been the case in Cheshire where the county council's bus support is conditional upon rigorous control of operations to ensure maximum efficiency and a network which is sufficiently flexible to meet ever changing demands for transport. Since 1976 this has resulted in a potential deficit on bus services in Cheshire of £9m being reduced to an actual figure of £5.3m, and vehicle and staff productivity have increased by 14 per cent over the same period.

The alternative, which we recommend should be tried before debasing the system into a common free-for-all, is a system of competitive tendering for groups of routes that could be operated effectively by *small* or large bus companies—a system the Government is proposing for London (and one must ask why only London?). These companies would then be protected for a period of time before having to again tender for a guaranteed service over a guaranteed route with guaranteed protection for both the operator and the public. This suggestion of off the road but true competition should achieve the Minister's objective without the major step into chaos which we believe will take place. If the tendering processes do not achieve their objective then it will be possible to still try Nicholas Ridley's suggestion in limited areas to compare their effect with the more controlled method. Nicholas Ridley's free-for-all stands a very good chance of creating chaos and a lack of *services for a very short* time with little possibility of subsequently attempting a tendering system.

We hope that the Government will listen to suggestions from the many politicians at local *level of all parties who are* bitterly opposed to a complete free-for-all without any form of control, which were the conditions which brought into existence many years ago the present close controls on bus services to protect the passenger.

(Councillor) Derek Bateman,
County Hall,
Chester.

One player as umpire

From the Managing Director, Fraser Green

Sir,—As Charles Batchelor noted (January 2) there is a growing call for a referee's decision—the takeover game must be one of the few remaining where one of the players acts as umpire. No wonder that some of our merchant banks have shown themselves *worthy* of standing in an Indian Test match.

Some years ago the fund which I then managed had cause to complain of miscounted acceptances. On at least one occasion the bank concerned *admitted that a mistake* had been made and withdrew its claim to have received over 50 per cent acceptances. On other occasions we were less successful, although once we could count over 48 per cent who had not accepted the bid and the bank was claiming to hold over 52 per cent acceptances. Obviously every shareholder had voted, some more than once.

After 20 years of crying "foul" am I still alone in thinking that the Takeover Panel should insist that bid acceptances are counted either by the company's auditors or by an independent firm of accountants and certainly not by the bank acting for the predator?

S. J. Green,
2, Friars Lane,
Richmond, Surrey.

Selling off BA

From Mr M. Greener

Sir,—Neither in your leader page feature of January 3 nor in references to the prospect of early privatisation of British *Airways* over the past *few* weeks has any mention been made of the steadily increasing contingent liability of the Treasury on the large dollar loan raised by BA and guaranteed against exchange rate fluctua*tions by HMG. The balance* of the loan at the date of the 1984, report and accounts was $986.5m. The cost of repaying this on sterling at today's rate would be £858.9m which is £414.3m greater than the figure *at which the loan appears in* the balance sheet.

Could it be that when, as you state, Lord King told Mr Ridley that if BA were to be sold for £1bn then the Govenment could look forward to retaining more *than 50 per cent of the proceeds* he was merely pointing out that this is what the Government would have left in the kitty after meeting the £414.3m likely to be payable under the guarantee? If the Treasury were asked to inject a further £400m of capital out of the proceeds there would be so little left that it might be wondered why the idea of selling BA to the private sector was considered at all.

Michael J. Greener.
33 Glan Hafren,
The Knap,
Barry, S Glam.

Monumental error

From Mr J. Harris.

Sir,—The decision of the Chancellor to abolish the £1 note in favour of a £1 coin purely on the grounds of the relative costs of manufacture, *etc, is in my opinion* a monumental error of judgment.

He would seem to have overlooked the fundamental fact of the inherent custom of British people to use and deal in paper money. As the next denomination of paper *money will* be five times the value of the £1 note it will be but a short time before the £5 note replaces the £1 note in both use and value, and the £1 coin relegated to little more than a "tanner."

Retailers will become well aware of this situation and prices will rise accordingly. One only needs to reflect on the consequences of decimalisation and the abandonment of the old penny to see what lies ahead.

J. V. Harris.
174, Ashly Road,
Loughborough, Leics.

FINANCIAL TIMES

Wednesday January 9 1985

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NORTH SEA SUPPLIERS PROTEST AT LACK OF PROPER UK PRICING SYSTEM

Oil producers seek legal advice

BY DOMINIC LAWSON IN LONDON

SOME North Sea producers are taking legal advice about the British National Oil Corporation's (BNOC) decision to buy their oil without any agreement on price. The state-owned corporation has the right to buy 51 per cent of all oil produced from the British sector of the North Sea.

On December 21 BNOC telexed its suppliers, saying it could not then set a price at which it would buy oil this month, but that it would open discussions "as soon as possible."

The UK Government is preventing BNOC from opening such discussions, with the result that the corporation is now taking the oil at an unknown price.

Some of BNOC's suppliers said yesterday that they believed this was in breach of their participation agreement with the corporation. However, these companies have chosen not to exercise their right to go to a committee of experts to establish a price since they know that the resulting price could well be below any that BNOC might set retroactively.

Some of the companies are arguing that BNOC should be paying them $28.65 a barrel for January liftings. Although this is well above the free market oil price, it does represent the previously agreed official price.

It now seems possible that the Government will prevent BNOC from opening discussions on January pricing until after the next full meeting of ministers from the Organisation of Petroleum Exporting Countries (Opec), scheduled for the end of this month.

Although North Sea producers are unhappy about the degree of retroactive pricing that this would involve, many are unwilling to put pressure on BNOC, fearing that any early announcement of lower official North Sea prices could damage a market that is only just beginning to benefit from the arrival of cold weather in Europe.

Yesterday, the oil spot market showed a continuation of the strengthening that began on Monday. Brent, the UK market crude, was quoted for January delivery at between $26.70 and $26.80 a barrel, an increase of 45 cents over Monday's price. Meanwhile, Arabian Light, the Opec marker crude, gained 20 cents, with trades reported as high as $28.20.

Oil traders argued yesterday, however, that the recovery in spot prices was still not yet strong and would not necessarily outlast the very cold weather.

The strength of the dollar, in which oil is priced, meanwhile means that the sterling price of North Sea oil has been running at record highs despite the sharp slide in oil prices.

Both the Government and UK North Sea producers are, therefore, receiving much higher sterling revenues from North Sea oil, than they had expected. One UK producer said yesterday: "We are making much more money from the North Sea than we can possibly re-invest, and so the Government is taking most of extra revenue in taxes."

The London stock market, however, appears not to have recognised the recent rise in asset values of UK North Sea producing companies. According to Mr Michael Unsworth, of brokers Scott Goff Layton, the UK independent oil companies have seen their share price fall by between 20 and 30 per cent, relative to the FT-Actuaries All Share Index, over the past three months.

One result is that the share price of Britoil, at 200p, is now only about a third of its estimated asset value. The Government wants to sell its 49 per cent holding in Britoil, but such a discrepancy between stock market valuation and asset backing would make any such share sale politically explosive.

West German refining cuts, Page 2; Iran raises prices, Page 3

UK Government gets tough over aid to BL

BY PETER RIDDELL IN LONDON AND
ARTHUR SMITH IN BIRMINGHAM

THE BRITISH Government is likely to be unsympathetic to any request for further financial aid from BL, the state-controlled motor group.

Instead, BL will be urged to bring forward the privatisation of Unipart, the profitable spare parts division, and to consider further joint projects along the lines of the existing link with the Honda group of Japan.

The UK Government's tough line is likely to be reinforced by the latest evidence of the decline in BL's share of Britain's new car market, to its lowest-ever level in December.

Moreover, Austin Rover is thought to have suffered a trading loss of more than £10m ($11.4m) in 1984, a setback after the previous turnround to a £2m profit in 1983 from a loss of £101m in the previous year. Austin Rover reported a trading profit of £300,000 for the first half of last year and is likely to blame industrial disputes for its second half losses.

The disappointment of last year, when both sales and output fell below target, has put greater pressure on BL to perform better in the next few months in order to convince sceptical ministers and officials that it has a viable commercial future.

Figures circulated within the company suggest Austin Rover is seeking to improve UK market penetration from the present 17.8 per cent to about 22 per cent in a market which is expected to remain fairly stable at about 1.76m this year.

The UK Department of Trade and Industry has just started considering BL's five-year corporate plan. No formal application has been made for further aid following the exhaustion of existing support, but Mr Ray Horrocks, chief executive of the cars division, told Tory backbench MPs before Christmas that new money would be necessary for Austin Rover's investment programme.

New support for BL might involve the capital restructuring to assist both additional investment and early privatisation.

BL waived the final £100m due from the British Government under the existing support agreement in return for keeping the much larger proceeds from the flotation of Jaguar. BL will fully benefit from any further disposals, however.

The main pressure is for early action over Unipart, although there are serious hurdles here because of the absence of any agreement over transfer pricing between Unipart and Austin Rover.

The Austin Rover targets for 1985 would require a rise in new vehicle registrations to 387,000 from the 312,000 achieved last year. Sales of car-derived vans, boosted by the new Maestro and Metro models, are expected to climb from just below 19,000 to 25,000.

To reduce dependance on the home car market the company is looking for further expansion in continental Europe, with a target of 110,000 cars against sales of about 80,000 in each of the past two years. The importance of marketing and sales strategy is stressed in the five-year corporate plan and was publicly signalled by the promotion to the main board this month of Mr Trevor Taylor, the head of sales and marketing.

Record UK commercial vehicle imports, Page 5

Michelin to cut UK workforce by 2,600

BY LORNE BARLING IN BIRMINGHAM

MICHELIN UK, Britain's largest tyre manufacturer, yesterday announced plans to reduce its workforce by 2,600 in an effort to stem losses which have amounted to well over £70m ($80.5m) in the past three years.

The decision by the French-owned company follows a disastrous period for all British tyre manufacturers, due largely to the fall in domestic output of cars and commercial vehicles.

Michelin said yesterday that the bulk of the latest redundancies would be at its Stoke-on-Trent plant, where 2,400 jobs would be lost by the end of the year, although most would go by April. A further 200 would be axed at Burnley, Lancashire.

The company said that the move was aimed at "streamlining production to meet market demand in the latter half of the 1980s", adding that there would be limited job opportunities with the transfer of work to other plants.

Michelin's previous attempts to come to terms with a shrinking UK market led to the loss of around 4,000 jobs in 1982, including the closure of its Belfast plant, which employed 2,600.

By the end of this year, the company will be employing a total of about 11,000 people in the UK, a reduction of more than a third of its workforce in four years.

Mr Tom Ferguson, head of the company's UK manufacturing organisation, said: "The company has lost more than £70m in the 2½ years to the end of June, with further heavy losses expected for the past six months."

The company said that tyre production would now be concentrated at its three most efficient factories, at Dundee (car tyres), Ballymena and Burnley (truck tyres) and Stoke, which would continue to be its headquarters and an important supplier of semi-finished materials to the group.

Michelin actually intends to offer 100 new jobs at Ballymena, which is undergoing an £11m modernisation programme and currently employs 900.

Production of car tyres at Stoke would be reduced substantially and the manufacture of trucks and cycle tyres would be phased out completely.

Kenneth Gooding, Motor Industry Correspondent, in London writes: Michelin, the world's second largest tyre producer after Goodyear of the U.S., suffered a net loss of FFr 2.14bn ($220.3m) in 1983 following a loss of FFr 4.16bn the previous year on sales up 14.7 per cent to FFr 39.6bn.

The group is also in the process of reducing its workforce in France by 5,000 from 46,000 in the face of continuing overcapacity in the European tyre market and losses on its French business of FFr 3.8m in 1983 and FFr 1.65bn the previous year.

Mr Jack Ashley, Labour MP for Stoke-on-Trent south, described Michelin's decision as "catastrophic" and claimed it would "blast thousands of families into poverty." Hopes of economic recovery in north Staffordshire had been shattered.

Stoke's unemployment stands at 24,044 or 12.4 per cent, and the Michelin cuts will push it to about 14 per cent.

Mr Bryan Carnes, director of the North Staffordshire Chamber of Commerce and Industry, said the news was very distressing "but, ironically, it may be the lever we need to get government aid."

Hewlett heir apparent resigns

BY LOUISE KEHOE IN SAN FRANCISCO

THE EXECUTIVE vice-president of Hewlett-Packard, Mr Paul Ely Jr, who has long been considered heir apparent to the presidency of the U.S computer group, resigned on Monday to become president and chief executive of Convergent Technologies, a five-year-old, $300m-a-year microcomputer company.

Mr Ely, a 22-year veteran of Hewlett-Packard, is credited with having built up the company's computer sales from less than $100m to more than $3bn a year. He is also widely regarded as the power behind Hewlett-Packard's efforts to strengthen its marketing.

For 10 years Mr Ely headed Hewlett-Packard's computer operations, but in a big management reorganisation last July he was put in charge of the company's analytical instruments, components and medical products and its research laboratory.

Mr Ely expressed no dissatisfaction at the time, but it is now clear that he was not happy with the change. The corporate reshuffle was "good for the company," said Mr Ely yesterday, but he indicated that it was not so good for himself. "Also," he said "Hewlett-Packard expects its officers to retire at the age of 60." He is 52.

Convergent Technologies evidently made Mr Ely an offer that was too good to refuse. He will receive an annual salary of $300,000 as well as a $1m bonus, rights to an additional bonus of $1.6m and generous stock options.

He joins Convergent Technologies "at a critical stage in its development" and looks forward to the opportunity to turn it into "a billion dollar corporation."

For a year Convergent Technologies has been struggling to regain its momentum after a disastrous venture into the personal computer market. It was forced to take a $15m write-off and cancel its "Workslate" executive personal computer last year. The product's failure was blamed on Convergent Technologies' lack of experience in direct marketing.

Convergent Technologies' other products – high performance work stations – are sold on an Original Equipment Manufacturing (OEM) basis to companies including Burroughs, NCR and Four Phase Systems. Convergent Technologies also has a big contract with AT&T. It posted losses of $1.9m for the nine months ending September 30.

Convergent Technologies' stock, which traded as high as 38⅞ last year, closed at 7⅛ up ⅜ on the news of Mr Ely's appointment on Monday. It moved up to 7¾ on Tuesday.

British food group plans London listing

By William Dawkins in London

HILLSDOWN HOLDINGS, Britain's largest privately owned food producer, plans to seek a full listing on the London Stock Exchange with a capitalisation of £150m to £200m ($172m to $230m).

Hillsdown, which has spent more than £50m on acquisitions in the past four years, is aiming to market 20 to 35 per cent of its equity to raise between £20m and £35m in new money. The issue is planned within the next month.

Hillsdown's subsidiaries include Buxted Poultry, the UK's largest fully integrated poultry producer, selling 1m chickens a week, and Daylay Eggs, the country's largest egg producer, with at least a 20 per cent share of the retail market.

Background, Page 26

World Weather

		°C	°F
Ajaccio	C	2	36
Akrotiri	F	20	68
Algiers	C	10	50
Amsterdam	Sn	-2	28
Athens	C	17	63
Bahrain	S	18	64
Bangkok	S	33	91
Barcelona	S	2	36
Beirut	S	21	70
Belgrade	Fg	-13	9
Berlin	Sn	-6	21
Biarritz	S	-5	23
Blackpool	C	-1	30
Bordeaux	S	-8	18
Brussels	S	-9	16
Budapest	Fg	-11	12
B. Aires	S	29	84
Cairo	C	20	68
Cape Town	S	24	75
Caracas	C	27	81
Casablanca	F	16	61
Copenhagen	Sn	-8	18
Corfu	R	18	64
Dublin	C	2	36
Dubrovnik	C	5	41
Faro	S	10	50
Florence	–	–	–
Frankfurt	S	-8	18
Funchal	C	16	61
Geneva	C	-10	14
Gibraltar	F	13	55
Guernsey	C	-1	30
Helsinki	C	-18	0
H. Kong	C	13	55
Innsbruck	S	-15	5
Inverness	F	3	37
Istanbul	F	14	57
Jersey	Sn	-2	28
Jo'burg	S	26	79
Las Palmas	S	20	68
Lima	S	25	77
Lisbon	S	5	41
Locarno	C	-5	23
London	Sn	-2	28
Los Angeles	S	16	61
Luxembourg	Sn	-11	12
Madrid	S	2	36
Majorca	F	7	45
Malaga	F	13	55
Malta	R	13	55
Manila	S	30	86
Miami	S	22	71
Milan	F	-5	23
Moscow	Sn	-7	19
Munich	S	-19	-2
Nairobi	–	–	–
Naples	–	–	–
New Delhi	C	18	64
New York	S	7	45
Nice	Sn	-3	27
Oporto	S	7	45
Oslo	S	-14	7
Paris	S	-9	16
Prague	S	-18	0
Reykjavik	S	-1	30
Rio de J'o	R	37	99
Rome	C	2	36
Salzburg	Sn	-19	-2
Seoul	S	-1	30
Singapore	S	31	88
Stockholm	S	-14	7
Strasbourg	S	-12	10
Sydney	C	25	77
Taipei	C	16	61
Tangier	C	14	57
Tehran	–	–	–
Tel Aviv	S	23	73
Tenerife	F	21	70
Tokyo	S	8	48
Toronto	C	-7	19
Tunis	F	10	50
Valencia	S	6	43
Venice	C	-5	23
Vienna	S	-16	3
Warsaw	S	-17	1
Zurich	F	-16	3

Readings at mid-day yesterday.

C–Cloudy D–Drizzle F–Fair Fg–Fog R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

GM go-ahead for car

Continued from Page 1

troduce a sixth nameplate to GM's present passenger car marques – the first new marque since 1908 when Chevrolet joined the GM group. The new company will have an initial capitalisation of $150m and will eventually have $5bn in assets.

- A management team led by Mr Joseph Sanchez, aged 54, will run the new company and be responsible for selecting a site for a plant, construction, production start-up, setting up a separate franchise network and negotiating its own separate labour contracts.
- Plant site selection and tooling is expected to take two years. Previously GM has said the cars will be introduced by 1990, but yesterday's announcements appeared to indicate the possibility of an earlier production date.
- The company is initially expected to produce 400,000 to 500,000 four-door and two-door cars a year and employ 6,000 workers. GM said the cars would be smaller and lighter than the current J cars, but would have comparable interior room. The company claimed the vehicles would be highly fuel efficient achieving "45 miles per gallon in cities and 60 mpg on highways."

Kennedy, U.S. envoy clash over S. Africa

By Anthony Robinson
in Johannesburg

MR HERMAN NICKEL, U.S. Ambassador to South Africa, yesterday upstaged visiting U.S. Senator Edward Kennedy in the growing debate over whether foreign investors should consider pulling out of the country to force political changes.

In introducing Mr Kennedy to an audience of more than 600 leading South African and foreign businessmen, Mr Nickel was applauded after he attacked U.S. supporters of disinvestment.

"The notion that an economic squeeze, aggravated by foreign disinvestment and bans on new investment, will force the Government to grant participation (to blacks) and accept a radical transfer of power strikes me as thoroughly unrealistic.

"The more likely scenario would be that a white government would use its credit to prop up the declining living standards of its own constituents, leading to greater polarisation and more violence, both of the repressive and revolutionary variety," he said.

Mr Kennedy, whose support is being sought by a growing U.S. lobby seeking to end or reduce economic ties with South Africa, was clearly surprised by the ambassador's remarks, but went on with his own appeal for the business community to play a more positive role in the fight against the apartheid system of racial separation.

Claiming to be a more representative spokesman of U.S. opinion than the ambassador, he cautioned his audience that "neither the American people nor the Congress will be satisfied with the repetition of generalities without real movement towards a new reality in South Africa."

Mr Kennedy, who is on a tour of South Africa, said he would be making specific recommendations

South African business circles and the Government are deeply worried about the growing pressure for disinvestment by U.S. and other foreign banks and businesses at a time when the South African economy is already under severe recessionary pressures exacerbated by the declining gold price and government overspending.

Influential business circles have recently become powerful critics of apartheid and the heavy government spending on the cumbersome administrative structure needed to maintain it.

Six employers' federations whose members employ more than 80 per cent of the country's workforce have taken advantage of the senator's visit to issue a joint memorandum pressing their views.

Regan and Baker to swap jobs

Continued from Page 1

personal friend of Mr and Mrs Reagan, would become the Administration's chief economic spokesman. Mr Regan will remain a Cabinet member and serve on the National Security Council, as will Mr Baker, Mr Reagan said.

Stewart Fleming adds: With the support of Mr Regan, who has been an outspoken advocate of banking deregulation, Mr Conover, the outgoing Comptroller of the Currency, has encouraged the deregulation of the banking industry and the erosion of the traditional barriers which divide banking from other financial services firms.

The clearest evidence of this policy has been his approval of the establishment of so-called "non-banks," financial institutions offering a limited range of banking services and therefore able to escape the strict banking regulations.

His decision to foster the exploitation of this loophole in the banking law, which in theory could allow everything from fast food chains to furniture stores to get into the financial services industry, has been challenged by Congress and opposed by the Federal Reserve Board.

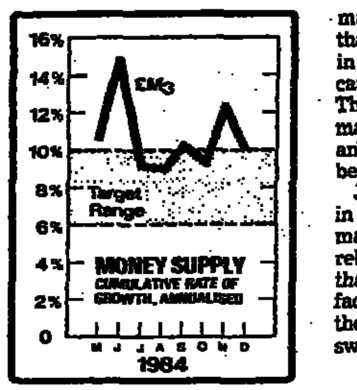
Following a legal challenge to his policy, Mr Conover, 44, agreed last month not to issue any more non-bank licences. Support for far-reaching bank deregulation has waned since the near collapse of Continental Illinois last year.

His departure will also raise a question mark over another major issue facing Washington's bank regulators and Congress. He is one of three members of the Federal Deposit Insurance Corporation, which insures bank depositors up to a $100,000 limit. Mr William Isaac, FDIC chairman, has also said he will quit at an unspecified date.

THE LEX COLUMN

Sterling M3 to the rescue

It is amazing what one little number can do. Yesterday's news that sterling M3 fell by half a per cent during banking December obviated any immediate need for a rise in base rates, enabled the Bank of England to do some much-needed funding in a rising market and brought the annualised growth in the aggregate just back within its target range. From the Bank's point of view, it was a very useful afternoon's work.



It was a cheery occasion for the institutions too. They had entered the new year ready to buy anything in sight only to be frustrated by the prospect of rising interest rates and a disappearing pound. The money supply numbers gave them just the buying opportunity they had been waiting for, lifting the FT 30-Share Index by almost 13 points in the last two hours of trading and leaving gilt-edged up to 1½ points better on the day.

It would perhaps have been churlish in yesterday's market to pay too much attention to the fine print of the announcement. Yet, while the sterling M3 figure itself looked reassuring enough, its composition was not exactly crystal clear. The decision to exclude Telecom's bank deposits from the growth rate calculation is consistent with past practice on British Aerospace and probably gives a fairer picture of underlying monetary growth. But the £500m adjustment is a large one and had not been incorporated into most outside estimates of yesterday's figure.

Meanwhile, the Bank's estimate of the composition of transit – very large last month because of Telecom – is inevitably rather approximate. The impression left by the clearers is that bank lending remains very buoyant and certainly the truant aggregate, PSL2, is still growing at a most uncomfortable pace. On an annualised basis, it has increased 12¼ per cent since the start of the target period, which must be way above any unpublished official band.

All these quibbles might not matter much if the Bank was well advanced with its funding and sterling M3 was clearly within its target range. As it is, the gilt-edged market must expect a fairly aggressive funding stance from the Bank to keep M3 within bounds. Similarly, yesterday's movement in money market rates was not so emphatic as to rule out a rise in base rates. In order to sustain the present rate structure, the clearers will need to fund at the very short end of the market and they will not be prepared to accept the resulting maturity mismatch indefinitely. The gap between base rates and interbank rates, meanwhile, still offers some scope for round-tripping.

The Bank will no doubt be hoping that sterling will alleviate both its own funding pressures and the rather awkward position of the clearers. Yesterday the pound responded to the money supply figures in predictable fashion, sliding against the dollar, but the U.S. currency was very strong against the D-Mark too, so there is perhaps no immediate cause for concern. But the great imponderable is still the oil price. The best chance for the authorities is that it keeps on snowing.

Euroyen bonds

Japan's decision to abolish its 20 per cent withholding tax on Euroyen bonds issued by Japanese borrowers must have been extracted after some considerable pressure from the U.S. team of negotiators. Though last year the Ministry of Finance announced a list of more than 100 Japanese companies which would be allowed to issue Euroyen bonds, it refused to waive the tax. The permission was therefore academic, since few Eurobond investors would have been likely to buy the instruments if tax was going to be deducted at source.

As a result, none of these companies has since availed itself of the privilege, but yesterday's decision may open up a floodgate into a market which is already somewhat waterlogged.

Under the regulations announced last May the MoF opened the market to most foreign companies with a single-A credit rating, starting on December 1. Since that date 13 issues have been launched, totalling Y254.5bn (more than $1bn), which is more than three times the new issue volume for the whole of 1983.

The attraction of the Euroyen market for Japanese borrowers is that rates are generally lower than in the domestic market, mainly because of the bonds' tax-free status. The problem is that the investor demand is far thinner than in Japan, and will remain so until the market becomes more liquid.

Judging by the way they behaved in the Swiss franc foreign bond market Japanese borrowers may be reluctant to pay higher coupons than their competitors even in the face of an investor strike, but until they do, issuing houses may have to swallow the losses themselves.

Allied-Lyons

Management changes were the flavour of the day yesterday, for alongside the shake-up at Allied Breweries came a reorganisation of the board at Thorn EMI and the replacement of Mr Campbell Anderson at Burmah Oil.

It was the changes at Allied that London was awaiting in the hope of some clear sign of how the group intends to regain its lost market share. The mountain moved duly enough but brought forth, if not a mouse, then a group of promoted middle managers and some rather confusing prose. The share price, which had been climbing in expectation, fell back from its peak of the day to close a penny up at 168p.

No disrespect is intended towards Mr Richard Martin and the four new members of the board but London was wondering yesterday how these men were going to accelerate decentralisation and provide stronger strategic direction, all at the same time.

The group insists that the main thing is the devolution of responsibility to the operating companies – a path pioneered for Allied by Mr Douglas Strachan. If that is so, one wonders why Allied and Mr Strachan parted company last week. After all, last year's performance was not that bad, it was just that Bass did better.

On the other hand the appointment of two assistant managing directors, one for the north and one for the south of England, suggests that the bit about strategic direction may have been more important after all.

The confusion may be more apparent than actual but the announcement scarcely gives the impression of a firm direction at Allied, and time will tell whether the gap between Allied and Bass, which probably has more to do with brands than corporate structure, can be closed.

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SECTION II – COMPANIES AND MARKETS

FINANCIAL TIMES

Wednesday January 9 1985

WALL STREET

Caution as pressures mount

ANOTHER cautious advance was made by Wall Street yesterday amid further signs of deflationary pressures in world economies, *writes Terry Byland in New York.*

Gains in stock prices petered out towards the end of the session, however, despite a firmer trend in the bond market. Airline stocks, strong at midsession on the expectation of further cuts in oil prices, gave up their gains before the close.

The advance in the market during the first part of the session was largely restricted to blue-chip issues. Neither the Standard & Poor's nor the New York Stock Exchange indices, both of which cover the broad range of the market, made much headway. The American Stock Exchange index shaded lower throughout the session, reflecting the weakness in domestic energy issues.

By the close, profit-taking had clipped prices in the market leaders. The Dow Jones industrial average closed a net 1.11 points higher at 1,191.70, after clearing 1,195 at 2.00pm. Turnover increased, with 91.6m shares traded.

The advance by industrial stocks was sluggish, with motor stocks attracting most of the attention. Wall Street, on balance, continued to take a bullish view of the outlook. The slowdown in the U.S. economy is expected to fall short of recession, while at the same time keeping the Federal Reserve on its accommodative tack.

There is still room for further cuts in bank prime rates, and the credit markets hope to see the Fed keeping the funds rate below 8½ per cent. The Fed announced $2bn in customer repurchases yesterday when Fed funds stood at 8 5/16 per cent.

There was little vigour behind the market upturn, however, and few analysts expect to see market indices move out of the trading ranges established over the past six months.

Turnover was brisk, but boosted again by hefty trading in Occidental Petroleum and Diamond Shamrock as the arbitrageurs struggled with the collapse of the merger discussions.

The unexpected ending of the Occidental-Shamrock talks has left Wall Street arbitrageurs holding about 9m shares in Shamrock. More than 3m shares were traded yesterday, with the price at $18¼ against $17.125 to $18 in late deals on Monday. Shamrock is now regarded as wide open to another bid assault.

Occidental jumped $2½ to $26½ on Monday after the collapse of the talks and traded at $25 yesterday, when more than 1.5m shares changed hands before midsession.

Holiday Inns was also heavily traded, with the stock $2¾ higher at $46¾ after the board said it was considering tendering for nearly one third of the equity at between $46 and $49 a share.

After losing out to General Dynamics in a contract for fighter planes for the U.S. navy, Northrop fell $2¼ to $33⅛. General Dynamics at $68½ gained $¼.

Oils traded nervously, with Phillips Petroleum $1 off at $44 and Chevron unchanged at $29⅝. Ashland, which cut crude oil prices yesterday, added $¼ to $24⅞.

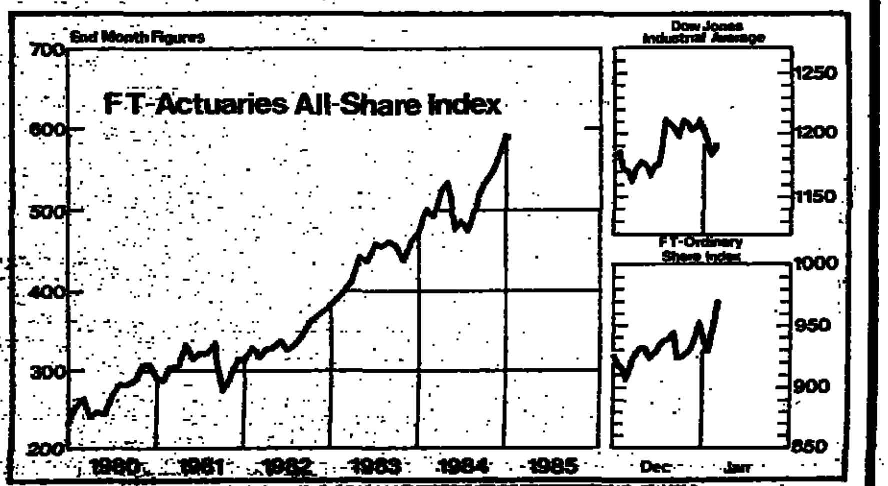
General Motors gained $⅜ to $76⅜ in response to moves on the Saturn project – GM's new small car. Ford put on $½ to $43¾.

IBM, down $⅝ to $119¾, remained a prey to nervousness ahead of 1984 results, due in a fortnight. Other computer issues edged ahead, except for Honeywell, $⅝ down at $55¾ with investors scared off by last week's sales forecasts.

Union Carbide eased $¼ to $38 after a leading bond rating agency confirmed that it was downgrading the chemical group's debt issues in the wake of the Bhopal tragedy.

The credit markets began to move ahead at midsession, when the federal funds rate eased to 8¼ per cent. Treasury bill rates remained firm, but other money market rates slipped lower. In the bond market, gains were led by the key long bond, 22/32 up at 102 15/32.

KEY MARKET MONITORS



STOCK MARKET INDICES

	Jan 8	Previous	Year ago
NEW YORK			
DJ Industrials	1,191.70	1,190.59	1,286.64
DJ Transport	556.69	557.02	611.79
DJ Utilities	146.85	147.21	134.83
S&P Composite	163.99	164.24	169.26
LONDON			
FT Ord	971.2	955.7	796.8
FT-SE 100	1,243.5	1,229.0	1,029.0
FT-A All-share	596.31	590.93	486.30
FT-A 500	657.69	649.17	519.86
FT Gold mines	455.2	445.3	542.5
FT-A Long gilt	10.40	10.52	10.02
TOKYO			
Nikkei-Dow	11,679.79	11,575.52	9,961.25
Tokyo SE	922.54	917.04	739.87
AUSTRALIA			
All Ord.	718.3	715.3	786.4
Metals & Mins.	396.6	393.6	566.8
AUSTRIA			
Credit Aktien	58.91	59.09	55.6
BELGIUM			
Belgian SE	2,158.30	2,159.01	137.83
CANADA			
Toronto			
Metals & Mins	1,922.5	1,906.5	2,518.0
Composite	2,348.5	2,355.3	2,585.7
Montreal			
Portfolio	117.15	117.36	127.18
DENMARK			
Copenhagen SE	158.44	158.99	217.21
FRANCE			
CAC Gen	186.1	182.9	163.7
Ind. Tendance	103.2	101.3	86.9
WEST GERMANY			
FAZ-Aktien	391.86	386.65	358.91
Commerzbank	1,137.8	1,123.5	1,063.6
HONG KONG			
Hang Seng	1,283.01	1,281.87	909.56
ITALY			
Banca Comm.	232.84	229.87	200.77
NETHERLANDS			
ANP-CBS Gen.	188.2	187.5	166.1
ANP-CBS Ind	149.8	149.0	138.0
NORWAY			
Oslo SE	307.23	301.18	226.37
SINGAPORE			
Straits Times	782.68	790.78	1,027.93
SOUTH AFRICA			
Golds	n/a	n/a	839.4
Industrials	n/a	n/a	994.6
SPAIN			
Madrid SE	105.00	105.15	102.29
SWEDEN			
J & P	1,409.6	1,406.65	1,492.47
SWITZERLAND			
Swiss Bank Ind	403.3	397.1	388.6
WORLD	Jan 7	Prev	Year ago
Capital Int'l	184.7	184.6	187.1

GOLD (per ounce)

	Jan 8	Prev
London	$302.25	$296.50
Zürich	$300.75	$297.85
Paris (fixing)	$305.53	$298.04
Luxembourg	$303.75	$295.75
New York (Feb)	$298.00	$303.70

* Latest available figure

CURRENCIES

	U.S. DOLLAR		STERLING	
(London)	Jan 8	Previous	Jan 8	Previous
$	–	–	1.148	1.142
DM	3.154	3.176	3.62	3.625
Yen	253.7	255.85	291.25	292.0
FFr	9.6625	9.7175	11.15	11.095
SwFr	2.6355	2.646	3.025	3.0225
Guilder	3.563	3.586	4.0925	4.10
Lira	1,933.5	1,946.0	2,224.25	2,224.5
BFr	63.15	63.35	72.4	72.55
C$	1.32075	1.32155	1.5175	1.5135

INTEREST RATES

Euro-currencies	Jan 8	Prev
(3-month offered rate)		
£	10⅛	10 7/16
SwFr	4 13/16	4 15/16
DM	5⅝	5⅝
FFr	10 11/16	10⅝
FT London Interbank fixing		
(offered rate)		
3-month U.S.$	8 7/16	8⅝
6-month U.S.$	8 15/16	9⅛
U.S. Fed Funds	8 5/16*	8¼
U.S. 3-month CDs	8.10*	8.10
U.S. 3-month T-bills	7.79*	7.78

U.S BONDS

Treasury		Jan 8*		Prev	
		Price	Yield	Price	Yield
9⅞	1986	99 21/32	9.98	99 20/32	9.98
11⅝	1992	101 4/32	11.38	101	11.45
11⅝	1994	101	11.45	100 28/32	11.48
11¾	2014	102 14/32	11.48	101 29/32	11.52

Corporate	Jan 8*		Prev	
AT & T	Price	Yield	Price	Yield
10⅞ June 1990	95⅞	11.40	95⅞	11.40
3⅜ July 1990	73⅜	10.30	73⅛	10.30
8⅝ May 2000	76⅛	12.25	76⅛	12.25
Xerox				
10⅞ March 1993	93⅝	12.00	93⅝	12.00
Diamond Shamrock				
10⅝ May 1993	92⅝	12.10	92⅝	12.10
Federated Dept Stores				
10⅞ May 2013	86⅝	12.30	86⅝	12.30
Abbot Lab				
11.80 Feb 2013	94½	12.50	94½	12.50
Alcoa				
12⅛ Dec 2012	96⅛	12.75	96⅛	12.75

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT)				
8% 32nds of 100%				
Mar	71–14	71–20	71–02	71–14
U.S. Treasury Bills (IMM)				
$1m points of 100%				
Mar	91.94	91.96	91.87	91.87
Certificates of Deposit (IMM)				
$1m points of 100%				
Mar	91.18	91.20	91.12	91.12
LONDON				
Three-month Eurodollar				
$1m points of 100%				
Mar	90.78	90.81	90.72	90.70
20-year Notional Gilt				
£50,000 32nds of 100%				
Mar	106–24	106–24	105–23	105–14

COMMODITIES

(London)	Jan 8	Prev
Silver (spot fixing)	525.95p	509.85p
Copper (cash)	£1,152.50	£1,143.50
Coffee (Mar)	£2,280.50	£2,283.50
Oil (spot Arabian Light)	$28.10	$27.90

LONDON

Gilts regain lustre and equities soar

GILTS were revitalised in London yesterday by better-than-expected money supply figures, which also unleashed a fresh wave of optimism for leading equities. The FT Ordinary index surged a further 15.5 points to another all-time peak of 971.2.

The fall of ½ per cent in sterling M3 during December ignited the enthusiasm, which was translated into gains of up to 1¼ in longs and a full point in shorts, while index-linked securities put on about ½.

Top quality equities were subject to selective demand, with BOC 12p up at 261p and BAT Industries 10p dearer at 360p, while in oils Tricentrol gained 15p to 198p and Britoil rose 8p to 200p.

Chief price changes, Page 16; Details, Page 27; Share information service, Pages 28–29

HONG KONG

HEAVY TRADING developed in Hong Kong as investors began to consolidate gains of the past seven sessions, in which the Hang Seng index gained over 97 points.

Many sectors were mixed although utilities staged a sharp retreat, and the market index managed a 1.14 rise to 1,283.01.

Foreign institutional buying became apparent late in the session.

Hongkong Telephone slipped HK$2.50 to HK$57.50, China Light dipped 30 cents to HK$14 and Hongkong Gas shed 10 cents to HK$7.60.

AUSTRALIA

IMPROVED international bullion prices were reflected in a brighter tone in Sydney trading, with the All Ordinaries rising 2.8 to 718.1.

Among miners, Peko and GMK each added 10 cents to A$4.05 and A$5.20 respectively, with MIM Holdings 7 cents stronger at A$2.30. In oils, Bridge rose 12 cents to A$2.30 and BHP 2 cents to A$4.94.

Banks rose against a background of prime rate increases. ANZ advanced 8 cents to A$5.06, National 6 cents to A$3.52 and Westpac 4 cents to A$3.43.

SINGAPORE

SELECTIVE DEMAND developed for Singapore industrials in subdued trading that took the Straits Times industrial index 8.10 lower to 783.41.

International buyers were few in a market that was also largely shunned by local operators. Malay United managed one of the few gains of the session with a 1-cent advance to S$2.36.

Elsewhere, DBS extended Monday's sharp losses with a further 25-cent setback to S$5.15 ex-all, a new low for the year.

SOUTH AFRICA

QUIET, hesitant trading in Johannesburg gold shares took leading miners higher against a background of firmer bullion prices.

Buffels rebounded from the previous session's setback with a R2 advance to R68.50, while Free State Geduld secured a R1.50 gain to R46.

Barlow Rand, the country's largest industrial unit, recovered some of Monday's 40-cent decline with a 25-cent rise to R10.50.

CANADA

GOLDS featured again in moderately active Toronto trading as Monday's gains were extended. Oil, utilities and metals, however, turned lower.

Transalta Utilities dropped an early C$⅛ to C$23¼ after a block of 197,000 shares was crossed at that price while Bell Canada Enterprises shed C$⅛ to C$34¼.

Banks and industrials in Montreal made steady progress by midsession.

TOKYO

Yen rally encourages new high

INVESTORS were encouraged by the yen's rally to step up buying in Tokyo yesterday, and the Nikkei-Dow Jones average reached an all-time high, *writes Shigeo Nishiwaki of Jiji Press.*

As the stocks sought, however, were chiefly biotechnology-related drugs, which have recently been popular with speculators, few observers think the day's advance will lead to a fully-fledged upturn. Leading brokers said investors were playing a "money game."

The 225-issue market indicator scored a 104.27 point gain to 11,679.79, far surpassing the December 4 record of 11,577.44. Turnover swelled to 433.54m shares from Monday's 329.99m. Gains outpaced losses 434 to 313, with 135 issues unchanged.

At one stage the yen rallied to Y253.50 against the U.S. dollar on the Tokyo foreign exchange market, reflecting its overnight advance in New York.

Among biotechnology issues, Toyojozo, which hit a new peak on Monday, led the advance. It scored a daily limit gain of Y200 but finished at Y1,640, up Y190, with the day's second heaviest trading of 17.41m shares.

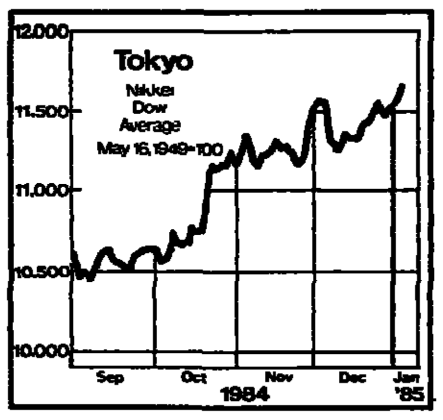
Asahi Chemical, most active with 19.61m shares changing hands, gained Y18 to Y738. Yamanouchi Pharmaceutical shot up Y230 to Y2,830, and Daiichi Seiyaku rose Y100 to Y1,870. Kuraray and Toyama Chemical gained Y18 to Y860 and Y45 to Y870, respectively.

C. Itoh, which had been bought heavily the preceding day on its reported joint entry into the videotex market with Nippon Telegraph and Telephone Public Corporation, was the fourth busiest with 16.15m shares. It closed Y14 higher at Y355.

Blue chips showed solid firmness for the first time in many sessions. Hitachi finished Y4 up at Y851, NEC was Y50 higher at Y1,250 and Matsushita Electric Industrial Y40 higher at Y1,580. Pioneer Electronic spurted Y240 to Y2,840. Volume was low, however, totalling 2.37m shares for Hitachi, 1.87m for Matsushita and 1.64m for Pioneer.

Backed by Monday's rally in U.S. bond prices and the yen's advance, bond prices in Tokyo rose sharply for the first time this year. Selling by smaller securities houses had depressed the market, but this tendency declined, and two leading trust banks bought a total of Y60bn worth of government bonds with about nine years remaining to maturity.

This spurred city banks and other investors to buy, pushing prices up sharply. The yield on the benchmark 7.3 per cent government bonds due in December 1993 plunged to 6.50 per cent.



EUROPE

Dollar helps prices to peak levels

THE STRENGTH of the dollar continued to provide the impetus which took bourses to all-time highs in West Germany, the Netherlands and Switzerland yesterday.

Investors are optimistic about the impact of the strong U.S. currency on European exporters during the coming year. At the same time, there is considerable liquidity in the markets following payment of government bond coupons. Analysts, however, note that trading volume in many cases is running at perhaps only half the level seen a year ago.

In **Frankfurt**, the Commerzbank index added 14.3 to 1,137.8 – a second consecutive record.

Buying demand for internationally popular issues indicated the presence of foreign demand by investors hoping for currency gains.

In banks, Deutsche led the field with a DM 13.70 advance to DM 403.40, while Commerzbank put on DM 6.30 to DM 176.50. Dresdner advanced DM 4.10 to DM 197.80 amid continuing market speculation that the bank might take advantage of a rise over the DM 200 level to make a rights issue.

Bond prices rose slightly following increased institutional activity and the firmer overnight trend in the U.S. bond market.

The Bundesbank sold DM 48.1m of paper after sales totalling DM 200,000 the previous day.

Some profit-taking in late **Amsterdam** trading left the market mixed, although the ANP-CBS General index was at a second successive all-time high, up 0.7 at 188.2.

Hoogovens rose to Fl 71.50 in early trading but later fell back to Fl 67.80 – Fl 2.70 down on Monday's close – ahead of the steelmaker's results announced during the afternoon. The bourse stepped in to cancel the deals, however, and trading will resume today.

Bond prices were higher, and the CBS bond index rose 0.4 to a record 108.5.

Advances by the insurance and banking sectors led **Zurich** higher, and the Swiss Bank Industrial index posted a 6.2 advance to a record 403.30. Volume was high, with much of the demand coming from domestic institutions and private investors.

Nestlé was again popular, adding SwFr 100 to SwFr 5,950 on further consideration of approval by the U.S. Federal Trade Commission for the company to take over Carnation. Bonds were mostly firmer.

Recent strong gains were extended in **Paris**, taking the Indicateur de Tendence up 3.2 to a 12-month high of 186.1. Portfolio issues were particularly strong.

Milan recovered strongly after Monday's technical dip, with the Banca Commerciale Italiana index also at a record – up 2.97 at 232.84.

Bonds were quietly traded although prices firmed selectively.

Stockholm continued its New Year rally in trading volume described as massive. Prices edged higher virtually across the board.

Small losses were seen in **Brussels** in low volume, which is attributed to the building up of cash positions by Belgian investment funds over the past week.

Madrid suffered its first downward trading session of the year.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
23½	16½	AAR	.48	2.7	14	198	17⅝	17⅜	17⅝	+⅛
30½	9⅞	AGS			10	106	13¼	12¾	13¼	+½
21½	15½	AMCA	1	7.1		1	14	14	14	
17⅞	13⅜	AMF	.50	3.5	79	164	14⅜	14⅛	14⅛	-⅛
41¼	24¼	AMR			6	6588	36⅞	35¾	36¼	-⅛
20⅝	18¼	AMR	pf2.18	11		14	19½	19½	19½	-⅛
41½	27½	AMR	pf2.13	5.7		1821	37⅜	36⅞	37¼	+¼
69¾	44¾	ASA	3	6.5		646	47¼	45⅞	46⅛	-⅜
30⅛	16	AVX	.32	1.9	10	5	17	16⅞	17	+⅛
48¾	36¾	AbtLab	1.20	3.0	13	1139	40⅞	40¼	40⅜	-⅛
23⅞	16½	AccoWd	s.44	2.0	18	516	22¼	22	22⅛	+⅛
27¼	12½	AcmeC	.40	2.9		78	14	13⅞	14	
12⅛	8¼	AcmeE	.32b	3.5	13	6	9¼	9¼	9¼	
18⅞	15	AdaEx	2.11e	13.		50	16⅝	16⅜	16⅜	-⅛
18⅝	11⅞	AdmMl	.32	2.0	8	141	16⅛	16	16	-½
21⅞	8⅝	AdvSys	.81t	7.5	17	74	10⅝	10¾	10¾	-¼
41⅛	25⅛	AMD			12	10086	28¼	26⅛	26⅞	-1¼
14⅞	6⅞	Advest	.12	1.5		27	8	7¾	7⅞	
15¼	8¼	Aeflex			10	47	11¼	10⅞	11¼	+¼
39	27¼	AetnLf	2.64	7.2	30	5023	36¾	36⅛	36½	-⅛
34½	15¾	Ahmns	1.20	4.8	11	872	24⅞	24⅜	24¾	
5⅛	2⅛	Aileen				40	2⅞	2¾	2⅞	+⅛
48⅞	36½	AirPrd	1.20	2.6	10	649	45½	45⅛	45½	+¼
30½	13	AirbFrt	.60	3.2	10	61	18¾	18½	18¾	+⅛
4¼	1⅞	AlaMoa	.30e	13		52	4	3⅞	3⅞	-⅛
31⅛	26¼	AlaP	pfA3.92	13		8	30¾	30⅜	30⅜	-½
7⅞	6	AlaP	dpf.87	12.		24	7⅛	7⅛	7¼	
71	61½	AlaP	pf 9	13.		z50	69	69	69	
64¾	57	AlaP	pf8.16	13.		z100	63	63	63	+½
64½	56	AlaP	pf8.28	13.		z430	63	62½	62½	-½
13⅝	10⅝	Alagsc	s.92	7.4	8	90	12⅝	12⅜	12⅜	-⅛
17⅞	9¼	AlskAir	.14	.9	9	x443	15⅜	15	15⅜	+½
22⅝	15¼	Alberto	.54	2.6	18	4	20½	20¼	20½	+¼
29½	22½	Albtsns	.68	2.5	11	331	28	26⅞	26⅞	-1
41¾	23½	Alcan	1.20	4.2	10	5698	28⅞	27⅞	28½	+⅝
36⅝	27⅞	AlcoStd	1.20	3.9	11	235	31	30¾	31	+⅛
25⅝	17	AlexAlx	1	4.1		587	24¼	23½	24¼	+¼
28½	16⅛	Alexdr			24	229	21⅝	21⅛	21⅝	+⅝
87⅞	62⅞	AllgCp	1.08b	1.5	8	122	75⅝	72¼	72¾	-3⅛
26¼	23	AlgCp	pf2.86	11		29	25¼	25¼	25⅜	-⅛
34	18¾	AlgInt	1.40	6.0	24	188	23½	23⅛	23⅜	-⅛
22⅞	15¼	AlgIn	pf2.19	12.		10	18⅝	18	18⅝	+¼
93½	81	AlgI	pfC11.25	12.		79	90⅞	90¼	90¼	-½
30	24⅛	AlgPw	2.70	9.3	8	873	29⅛	28¾	29	-⅛
36	15¾	AllenG	.60b	3.5	10	51	17⅝	17⅛	17¼	
37⅞	28¼	AldCp	s1.80	5.2	8	2598	34¼	34⅛	34½	

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
15¾	7	CnP	prL2.23	20		8	11½	11⅛	11⅛	-¼
26½	11	CnP	prS4.02	21		24	18¾	18⅝	18⅝	
17	7⅛	CnP	prK2.43	20		8	12⅛	12	12	-⅛
39	23½	CntlCp	2.60	7.1	5	932	37⅛	36⅝	36½	-⅜
7⅛	4⅝	Contll				638	6⅝	6½	6⅝	+⅛
2⅞	½	Contll	rt			3629	2⅛	1⅞	2⅛	-¼
51¼	12	CntlI	pf			36	37⅛	37	37⅛	+⅛
4½	⅛	CtlIHd	n			3726	1⅛	15-16	1⅛	+3-16
24⅝	18	ContTel	1.72	7.7	9	1248	22½	22⅛	22¼	-⅛
48½	24⅜	CtData	.56	1.9	11	1721	34⅜	34⅛	34½	
33⅝	22⅞	Conwd	1	3.2	19	87	31⅝	31¼	31½	
4⅝	1	vjCookU				398	1½	1⅜	1½	+⅛
37⅞	28	Coopr	1.52	5.2	15	994	29⅝	29⅛	29¼	
38⅝	30	CooprI	pf2.90	8.6		668	34⅛	33½	33⅝	-⅛
27	10⅜	CoopLb	.03e	.2	3	1227	14¼	13¾	14⅛	+⅜
19	12⅝	CoprTr	.40	2.4	7	68	17⅝	16¾	16¾	-⅜
24⅜	11⅞	Copwls	.40	2.4	13	1059	16⅝	16½	16⅝	-⅛
23¼	11⅝	Copwld	.58	4.5	11	107	13	12⅞	12⅞	-⅛
29½	19¼	Cpwld	pf2.48	12.		59	20¾	20½	20½	-⅛
23⅝	16½	Cordura	.84	3.9	14	17	21½	21⅛	21⅛	-⅛
14⅞	10⅞	Coreln	.52	4.4	11	25	12⅛	11⅞	11⅞	-⅛
74¼	59½	CornG	2.56	3.7	15	149	69⅛	68⅛	68½	-⅛
31¼	22⅞	CorBlk	1	3.4	23	198	29⅞	29⅞	29⅞	-⅛
54⅞	39⅛	CoxCm	.34	.7	18	461	47½	47⅛	47⅛	-⅛
8⅛	4⅛	Craig				1	6⅛	6⅛	6⅛	
40⅛	27	Crane	1.60b	4.7	22	23	34⅛	34⅛	34⅛	-½
53⅛	38½	CrayRs			16	482	51⅜	51	51	-⅛
29⅝	16¼	CrockN	.40	1.7		1482	24¼	23	23	-1¼
23¾	15¼	CrckN	pf2.18	12.		347	18¼	18	18	
23¾	19¼	CrmpK	1.20	5.6	10	1	21¼	21¼	21¼	+¼
45⅛	34⅛	CrwnCk			13	4533	u46⅝	44½	46¼	+1⅜
38⅝	27⅛	CrwZel	1.30		11	1133	33⅝	33	33½	+⅝
51½	43	CrZel	pf4.63	9.9		42	46⅛	46½	46⅛	

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AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Closing prices, January 8

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
7¼	3⅝	ADI	n		19	55	5⅜	5	5⅛	
3¼	1⅝	ABI	wt			2	2⅛	2⅛	2⅛	
3⅜	½	AlCPh				8	15-16	15-16	15-16	+⅛
15¾	6⅜	ALLab	n.20	2.1	9	1	9⅝	9⅝	9⅝	+⅛
14¼	12	AMC	n.12	.9	11	138	14	14	14	
4½	2⅞	AM	Intl			3113	3⅛	3⅛	3⅛	
72½	58	ATTFd	p5.52e	7.6		81	72⅜	72⅛	72⅛	-⅛
6⅞	2⅞	AcmePr			26	12	4⅜	4¼	4⅜	
15¾	8½	AcmeU	.32	3.3	11	15	9⅝	9⅝	9⅝	-⅛
16⅝	9⅝	Action			37	28	14⅛	14⅛	14⅛	
9¼	3⅝	Actn				38	4⅝	4¼	4⅝	+¼
3⅜	5-16	Actn	wt			21	½	½	½	
3⅝	1½	AdmRs			3	103	1⅞	1⅝	1⅞	
25⅜	15⅞	AdRusl	.14	.6	20	81	u25⅝	25⅛	25⅜	+⅛
24¼	15	Adobe	.24	1.5	10	117	16⅜	15⅞	15⅞	
9⅞	4½	Aeronc			7	121	6⅞	6⅝	6⅝	-⅛
50⅞	38½	AlfPtb	.80	1.7	15	30	47⅝	47¼	47¼	+¼
9¼	6	AirExp			9	18	7⅝	7⅝	7⅝	-⅛
14½	5⅜	Aircal				10	7⅞	7⅝	7⅞	+⅛
5¼	2⅞	Alamco			7	4	3⅛	3	3⅛	
75½	72	Almko	n			62	73½	d71	71	-2½
14	8⅝	AlbaW			8	39	7⅞	7⅝	7⅝	-¼
9¼	5⅝	Alotis			1	21	5⅞	5⅞	5⅞	
22¼	9½	Alphain	.05	.5	12	21	10⅜	10⅛	10⅛	-⅛
1⅝	½	Altex				344	15-16	1	11-16	-1-16
½	⅛	Altex	wt			30	3-16	⅛	3-16	+1-16
34¾	26⅞	Alcoa	pf3.75	12		z300	31½	31½	31½	
22	11	AlzaCp			51	161	19¾	18⅞	19⅛	+⅞
20¼	9½	Amdahl	.20	1.5	17	625	13⅝	13½	13⅝	+⅛
17	8½	Amedco	.08	.9		13	8⅝	8½	8⅝	+⅛
9⅝	4	AmCap				1	4⅛	4⅛	4⅛	-⅛
37½	30	AContrl	.92a	2.5	10	13	37⅜	37¼	37¼	-⅛
27	12¼	AExp	wt			45	23⅛	22⅞	23	+⅛
7⅞	5⅝	AFrac	A			416	7⅝	7⅛	7⅝	+⅛
7½	5⅝	AFrac	B			368	u7⅝	7⅜	7⅜	
12¼	7¼	AHlthM			6	337	8⅛	7⅞	7⅞	-⅛
6⅞	4	AIsrael			2	25	5	4⅞	5	+⅛
19⅞	12⅝	AMzeA	.52	3.2	8	9	16½	16⅛	16½	+⅛
18½	12⅝	AMzeB	.52	3.3	8	2	16	16	16	+⅛
3	½	AMBld				126	15-16	1⅛	1⅛	
10⅜	3	AmOil			19	8	3⅞	3⅞	3⅞	
64¾	53½	APetf	3.20	5.3	13	5	60¼	60¼	60¼	
8⅛	⅝	AmPin	v			10	⅝	⅝	⅝	
17⅝	10¾	APrec	s.24	1.5	16	9	15½	15¼	15½	
6⅜	3	AScIE				9	3⅜	3⅜	3⅜	-⅛
15⅛	12⅝	AmRoyal				74	14	d13⅜	13⅜	-⅛
3⅝	1⅛	Ampal	.08	3.4	4	101	1⅞	1⅞	1⅞	
5⅞	3½	Andal			9	10	5	5	5	
11⅞	3¼	AndJcb				18	3⅞	3¾	3⅞	-⅛
14⅝	6⅜	Angles	n		10	16	7⅞	7	7⅛	+⅛
3¾	¾	Angel	wt			7	1¼	1⅛	1¼	+⅛
3	⅞	Anglo	v			159	1⅞	1	1	-⅛
9½	3⅝	ArgoPt				84	3⅝	3⅜	3⅝	+⅛
7⅞	5½	Arley	n			61	6⅝	6⅛	6⅝	+⅜
12⅞	6½	Armtrn			7	19	7	6⅞	6⅞	-⅛
12⅞	9¼	ArrowA	.20	2.1	8	3	9¼	9¼	9¼	-⅛
11½	6½	Asmr	g.15	2.3		241	6⅞	6½	6⅝	-⅛
12⅝	8⅝	Astrex				23	10	9⅞	10	-⅛
3⅜	2¼	Astrotc				566	2⅜	2⅛	2⅜	-⅛
2½	9-16	AtlsCM				140	⅞	13-16	13-16	
5½	3¼	Atlas	wt			10	3¼	3⅛	3⅛	-⅛
7½	4⅞	Audiotr	.05e	1.1	12	16	4⅜	4⅞	4⅜	+⅛
49⅞	32⅝	AutoSw	.1a	2.1	19	98	47½	47	47	
25¾	13⅝	Avondl	s.80	5.0	8	13	16⅛	16	16	-⅛

B—B—B

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
15¼	5⅛	BradNt				161	8½	8⅛	8⅛	-⅛
35⅜	21¼	Brscn	g1.60			54	22⅝	22½	22½	-⅛
29⅜	22⅛	BrnFA	.88	3.1	9	23	28⅝	28⅜	28⅜	
32⅞	23⅛	BrnFB	.88	2.8	10	177	31⅞	31⅛	31⅞	+⅝
3⅜	3⅛	BrnF	pf.40	11		1	3⅛	3⅛	3⅛	+⅛
4	2⅛	Buckhn				10	2⅛	2⅛	2⅛	-⅛
4⅛	3⅛	Buckh	pf.50	13		7	4	3⅞	3⅞	-⅛
34¼	18¼	Buell	.50	1.5	7	11	u34⅛	34	34	-⅛

C—C—C

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
17⅞	11½	CDI	s		8	10	15⅛	15⅛	15⅛	+⅛
13⅞	9¼	CHB	.20b	2.1	9	62	9⅝	9½	9⅝	+⅛
9⅛	4½	CMICp				84	8	7⅛	7⅞	+⅛
22¼	13⅝	CRS	.34	2.2	15	10	15⅛	15⅛	15⅛	-⅛
19⅛	9⅛	CaesNJ			10	40	10⅛	9⅞	9⅞	-⅛
8⅛	3⅝	CagleA			8	2	8⅛	8⅛	8⅛	+⅛
13⅞	10	CalRE	1.24	10	13	11	11⅞	11⅞	11⅞	+⅛
25	18⅛	Calmt	n.60	3.0	22	46	19⅞	19⅝	19⅞	-⅛
10	7⅛	Calprop	.80r	10	3	1	8	8	8	-⅛
14⅛	9⅞	Camco	.32	2.5	10	12	12⅛	12¼	12⅛	+⅛
4½	2	Campnl				16	2⅛	2⅛	2⅛	-⅛
23½	13⅛	CMarc	g.28			178	14¼	14	14⅛	
36⅜	25⅝	CWine			10	31	32¾	32½	32⅝	+⅛
6⅞	4½	Cardiff				16	5	5	5	
5⅛	2⅛	Cardl				2	2⅛	2⅛	2⅛	+⅛
11½	7⅞	CareB			13	6	8⅞	8⅞	8⅞	-⅛
11⅞	5⅛	CareEn			16	6	8⅞	8⅞	8⅞	
43⅞	38	CaroP	pf 5	12		z200	42½	41	42½	+2½
8⅛	3½	Castlen	.66t	17	4	16	4	4	4	+⅛
17⅛	14⅝	CastlA	s.80	5.0	8	1	15⅞	15⅞	15⅞	
1½	⅞	Cemenl				2	1	1	1	
2	1⅛	Centl	pf			2	1½	1½	1½	+⅛
27¼	20⅞	CenM	pf3.50	15		z50	23⅞	23⅝	23⅝	-½
14¾	11	CentSe	1.70e	13		60	13⅝	12⅞	13⅛	+⅛
11⅞	6⅞	Cetec	.20	2.8	9	24	7⅛	7	7⅛	
5⅞	2⅞	ChmpH			14	364	3¼	3⅛	3¼	+⅛
17½	12⅛	ChmpP	.72	5.3	11	2	13½	13½	13½	+⅛
34	19⅛	ChrtMA	.20	.7	17	279	30⅞	29⅝	30¼	-⅛
33	19⅝	ChrtMB	.20	.7	17	15	30⅝	29	30⅛	+1⅛
19⅞	14½	ChRv	1.20	6.6	10	6	18⅛	18⅛	18⅛	
15	9⅞	ChfDv	g			22	10⅛	10⅛	10⅛	
20⅞	9⅛	Chinn	s		19	82	18⅝	18	18⅛	-⅛
18⅞	11⅞	Citadel			6	373	16	15⅝	16	+⅛
27⅞	18⅞	CtFst	1b	3.6	9	55	u27⅞	26⅞	27⅞	+1
38⅞	27⅞	CtFst	pf2.50	6.3		2	u40	39½	40	+2
36½	28¼	Clarmt	1.45e	3.9		33	36⅞	35½	36⅞	+⅛
9¼	6⅛	ClarkC	.28e	3.4	7	2	8⅛	8⅛	8⅛	-⅛
34¼	21¼	Clarost	.70e	2.3	10	20	30⅜	30	30¼	+⅛
19½	13⅝	Clopay	.16	.8	11	14	18⅞	18½	18⅞	+⅛
12⅞	3½	Cognitr				127	6	5⅞	5⅞	+⅛
10⅜	6⅛	Cohu	.20	2.6	8	1	7⅞	7⅞	7⅞	+⅛
4	2	ColF	wts			21	3⅛	3⅛	3⅛	
15¼	8	Comtd	n		3	53	12⅞	12	12⅞	+1⅛
16⅞	8½	Comin	s			5	8⅞	8⅞	8⅞	+⅛
5⅞	½	ComdrC				177	⅝	9-16	9-16	
11⅞	7¼	Compo	.20	2.2	8	74	9	8⅞	9	-⅛
12⅞	6¼	CompD			78	34	7⅞	7½	7⅞	+⅛
19⅞	7½	CmpCn			11	172	11	10½	10⅞	-⅛
9½	5½	CmpFct			26	98	7⅜	7	7½	+⅛
22	17⅞	Cnchm	.50e	3.3	9	8	15¼	15	15	-⅛
12¼	8⅞	ConcdF			5	50	9⅛	9⅛	9⅛	
18	12	ConrHm			7	34	17⅛	17	17⅛	
11¾	5⅝	Congst			35	79	6	5⅝	5⅝	-⅛
7½	2	Conq	wt			29	2	d1⅞	2	
11⅞	8⅛	ConsOG			4	51	8¼	8⅝	8⅝	-⅛
9⅞	4⅛	vjContA				381	u9½	9¼	9⅞	+⅛
11⅞	5¼	vjCntA	pf			75	u11⅞	11⅝	11⅞	+⅛

Continued on Page 16

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 14

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AUSTRIA

Jan. 8	Price Sch%	+ or −
Creditanstalt	225	−3
Goesse	335	+4
Interunfall	400	......
Laenderbank	227	......
Perlmooser	362	−2
Steyr-Daimler	164	......
Veitscher Mag.	255	+5

BELGIUM/LUXEMBOURG

Jan. 8	Price Frs.	+ or −
B.B.L.	1,870	......
Banq. Int. A. Lux	5,500	......
Bekaert B	4,520	+10
Ciment CBR	2,515	+10
Cockerill	258	......
Delhaize	6,530	−30
EBES	2,880	+10
Electrobel	8,090	+70
Fabrique Nat	2,085	......
GB Inno BM	3,080	−40
GBL (Brux)	2,050	......
Gevaert	3,610	......
Hoboken	6,150	......
Intercom	2,075	+5
Kredietbank	7,620	−70
Pan Hldgs.	9,850	......
Petrofina	6,960	+30
Royale Belge	10,200	+55
Soc. Gen. Banq.	3,300	−100
Soc. Gen. Belge	1,840	−5
Sofina	7,580	+180
Solvay	4,120	+20
Stanwick Intl.	1,450	......
Tractionel	4,000	−5
UCB	4,915	−35
Wagon Lits	2,350	−30

DENMARK

Jan. 8	Price Knr %	+ or −
Andelsbanken	257	−2
Baltic Skand	540	−5
CopHandelsbank	260	−4
D. Sukkerfab	460	−5
Danske Bank	262	−2
De Danske Luft.	1,085	......
East Asiatic	139	+1
Forenede Brygg.	780	......
Forenede Damp.	96	−1
GNT Hldg	353	−22
I.S.S.B.	340	−10
Jyske Bank	469	+5
Novo Ind.	1,320	......
Privatbanken	226	......
Provinsbanken	314	......
Smidth (F)	221	−2
Sophus Berend	880	−10
Superfos	403	−1

FRANCE

Jan. 8	Price Frs.	+ or −
Emprunt 4½% 1973	1,650	+13
Emprunt 7% 1973	8,175	+95
Accor	240	−0.5
Air Liquide	569	+5
BIC	520	+8
Bongrain	1,690	......
Bouygues	744	+5
BSN Gervais	2,360	+20
CIT-Alcatel	1,270	−10
Carrefour	1,820	+20
Club Mediter'n	1,090	+20
Cie Bancaire	690	+14
Cofimeg	241.5	+2
Damart	2,420	+160
Darty	1,144	+55
Dumez S.A.	722	+18
Eaux (Cie Gen)	658	+13
Elf-Aquitane	227	+3
Essilor	2,895	+5
Gen. Occidentale	650	−5
Imetal	80	+1.5
Lafarge Coppee	378.9	+8.9
L'Oreal	2,348	+80
Legrand	1,925	+74
Maisons Phenix	220	+16
Matra S.A.	1,760	+15
Michelin B.	778	−33
Midi (Cie)	2,157	+79
Moet-Hennessy	1,908	+11
Moulinex	91.8	−1.15
Nord Est	75.3	−0.65
Pernod Ricard	718	......
Perrier	492	+4
Petroles Fra.	252	+4.5
Peugeot S.A.	249.8	+5
Printemp.Aus.	189	+6.5
Radiotech	220.1	+1.1
Redoute	1,215	+23
Roussel-Uclaf	1,665	−14
Sefimeg	284.5	+3.5
SkisRossignol	1,870	+10
Telemech Elect.	2,365	+30
Thomson CSF	428.5	+8.5
Valeo	240	−2.5

GERMANY

Jan. 8	Price Dm.	+ or −
AEG-Telef.	103.1	+1.7
Allianz Vers	1056	+29
BASF	184.9	+0.6
Bayer	195	......
Bayer-Hypo	340	+4
Bayer-Verein	339	+6
BHF-Bank	284.5	+6.5
BMW	379	+4.2
Brown Boveri	201	+2
Commerzbank	176.5	+6.3
Cont'l. Gummi	117.1	+1.3
Daimler-Benz	611.5	+8.5
Degussa	344	−0.5
D'sche Babcock	164.0	+5
Deutsche Bank	403.4	+13.7
Dresdner Bank	197.8	+4.1
GHH	164	−0.5
Hochtief	488	−2
Hoechst	192.5	+0.6
Hoesch Werke	98.5	+1
Holzmann (P)	389	+14
Horten	178.5	−0.5
Hussel	302	+2
Karstadt	239	+0.5
Kaufhof	219	+0.5
KHD	258.5	+4
Kloeckner	73.3	+1.8
Linde	398.5	−0.5
Lufthansa	193	−4.5
MAN	159.5	+0.7
Mannesmann	154.4	+1.8
Mercedes Hld.	539	+15
Metallgesell	218.9	+0.4
Munech Rueck	1080	......
Nixdorf	623	+3.2
Porsche	1046.5	+6.5
Preussag	255	+2
Rhein West Elect	168	+0.2
Rosenthal	250	+1
Schering	459	+4
Siemens	491.2	+6.8
Thyssen	82.6	+1.4
Varta	178	+2.2
Veba	174	+1
V.E.W.	123.8	−0.2
Verein-West.	300	−1
Volkswagen	213.7	+1.1

ITALY

Jan. 8	Price Lira	+ or −
Banca Com'le	17,510	+670
Bastogi-IRBS	186.5	+9.25
Centrale	2,292	+95
Credito Varesino	4,120	+121
Fiat	2,085	+20
Finsider	49.75	......
Generali Assicur.	3,500	+20
Invest	2,925	......
Italcementi	69,000	−10
La Rinascenti	529	+7
Montedison	1,347	+7
Olivetti	5,905	+10
Pirelli Co.	3,500	+40
Pirelli Spa	1,925	+34
Snia BPD	2,132	+29
Toro Assic.	13,200	+350
do. Pref	10,000	+100

NETHERLANDS

Jan. 8	Price Fls	+ or −
ACF Holding	192	+2
AEGON	153.3	−2.7
Ahold	201.5	+0.5
AKZO	103	......
ABN	391.5	−1.5
AMEV	221.5	+4.5
AMRO	72.5	+1.2
Bredero Cert.	160	−0.5
Bos Kalis Westm.	12.6	−0.4
Buehrmann-Tet.	76	......
Calland Hldgs.	33.7	......
Dordtsche Pet'm	160.1	+0.3
Elsevier-NDU	117.8	−0.4
Fokker	92	+1
Gist Brocades	174.4	+1.1
Heineken	150.4	−0.6
Hoogovens	70.5	......
Int Mueller	42.8	−0.6
KLM	47.4xc	−0.1
Naarden	48.2	+0.2
Nat Ned Cert.	267.5	+1
Ned Mid Bank	154.5	−1
Nedlloyd	151	−1.5
Oce Grinten	287	−1.5
Ommeren (Van)	27.4	−1.3
Pakhoed	71	−1
Philips	56.4	−0.4
Robeco	69.8	+0.2
Rodamco	136.7	−0.1
Rolinco	63.1	+0.1
Rorento	43.8	−0.2
Royal Dutch	174	−0.6
Unilever	317.5	−0.5
VMF Stork	144	−0.5
VNU	211	−4
West Utr Bank	124	−1

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

Jan. 8	Price Kroner	+ or −
Bergens Bank	162.5	+2.5
Borregaard	370	+2.5
Christiania Bank	160	+2
DenNorske Cred	164	+3
Elkem	128	+1
Kvaerner	175	+5
Norsk Data	400	+20
Norsk Hydro	113.5	+9.5
Storebrand	225	......

SPAIN

Jan. 8	Price Pta%	+ or −
Bco Bilbao	311	−1
Bco Central	312	......
Bco Exterior	203	......
Bco Hispano	172	−5
Bco Popular	374	−6
Bco Santander	333	......
Dragados	166	−2
Hidrola	82.7	−0.5
Iberduero	86	−1
Petroleos	152	−1.2
Telefonica	99.5	−0.2

SWEDEN

Jan. 8	Price Kronor	+ or −
AGA	365	−2
Alfa-Laval	196	−2
ASEA (Free)	340	+15
Astra (Free)	338	......
Atlas Copco	108	+6
Cardo (Free)	270	......
Cellulosa	127	......
Electrolux B	259	+3
Ericsson	267	+1
Esselte	305	+5
Mo Och Domsjo	295	−5
Pharmacia	196	+6
Saab Scania Free	430	......
Sandvik	360	+20
Skandia	265	−5
Skan Enski'da	67	+2
SKF	180	......
St Kopparbergs	170	+10
Sven Handlesbn.	197	+6
Swedish Match	257	+2
Volvo B (Free)	224	+2

SWITZERLAND

Jan. 8	Price Frs.	+ or −
Alusuisse	740	−5
Bank Leu	3,800	+35
Brown Boveri	1,450	+30
Ciba Geigy	2,580	+50
do. (Part Certs)	2,100	+40
Credit Suisse	2,395	+20
Elektrowatt	2,670	+20
Fischer (Geo.)	635	+10
Hoff-RochePtCts	90,500	+1500
Hoff-Roche 1/10	9,100	+175
Jacobs Suchard	6,475	+75
Jelmoli	1,950	+30
Landis & Gyr	1,600	+10
Nestle	5,950	+100
Oer-Buehrle	1,335	−5
Pirelli	267	+5
Sandoz (Br)	7,450	+200
Sandoz (PtCts)	1,180	+15
Schindler (PtCts)	640	−5
Sika	1,110	+30
Surveillance	3,985	+70
Swissair	1,100	+16
Swiss Bank	365	+1
Swiss Reinsce	8,750	+150
Swiss Volksbk	1,495	+5
Union Bank	3,630	+15
Winterthur	3,450	+100
Zurich Ins.	19,000	+200

AUSTRALIA

Jan. 8	Price Aust $	+ or −
ANZ Group	5.06	+0.08
Alliance Oil Dev.	1.05	......
Ampol Pet.	1.75	−0.01
Ashton	0.80	+0.01
Aust Cons Ind.	1.93	−0.02
Aust. Guarantee	2.65	−0.05
Aust. Nat. Inds	2.4	−0.02
Aust. Paper	2.28	......
Bell Group	4.85	−0.05
Bell Res.	4.4	−0.05
Bond Corp Hldgs	1.18	+0.02
Boral	3.15	−0.01
Bougainville	1.67	+0.06
Brambles Inds.	3.49	+0.01
Bridge Oil	2.3	+0.12
B.H. Prop.	4.94	+0.02
CRA	4.8	+0.02
CSR	2.75	+0.05
Carlton Utd.	4.30	......
Castlemaine Tys.	4.5	+0.05
Coles (G.J.)	3.94	......
Comalco "A"	2.02	−0.02
Consolidated Pet	0.50	−0.02
Costain Aust	1.25	......
Dunlop Aust.	1.68	......
Elders IXL	3.07xc	−0.01
Energ Res.	1.41	......

AUSTRALIA (continued)

Jan. 8	Price Aust. $	+ or −
Gen Prop Trust	2.10	−0.05
Hardie (James)	2.98	−0.03
Hartogen Energy	2.25	−0.05
Herald W'yTimes	3.4	......
ICI Aust.	1.98	......
Jimberlana F.P.	0.3	......
Kia Ora Gold	0.1	−0.01
Lend Lease	5.2	−0.06
MIM	2.3	+0.07
Mayne Nickless	2.85	−0.05
Myer Emporium	1.68	−0.02
Nat. Aust. Bank	3.52	+0.05
News	10.7	−0.1
Nicholas Kiwi	5.18	......
North Bkn Hill	1.90	......
Oakbridge	0.67	−0.03
Pancont'l	0.96	−0.01
Pioneer Conc.	1.61	......
Poseidon	2.55	......
Queensland Coal	1.08	−0.01
Reckitt & Coln.	3.08	+0.08
Repco	1.11	......
Santos	5.3	+0.04
Smith (Howard)	3.37	+0.01
Thos. Natwide	1.73	+0.02
Tooth	5.8	......
Vamgas	3.22	......
Western Mining	2.63	+0.05
Westpac Bank	3.43xr	+0.04
Woodside Petrol.	0.94	+0.02
Woolworths	2.56	−0.01
Wormald Intl	3.17	+0.02

HONG KONG

Jan. 8	Price H.K.$	+ or −
Bank East Asia	25	+0.2
Cheung Kong	11.4	−0.1
China Light	14	−0.3
Evergo	1.5	......
Hang Seng Bank	45.75	......
HK Electric	6.95	−0.05
HK Kowloon Wh.	5.2	+0.05
HK Land	4.07	+0.25
HK Shanghai Bk.	8.75	+0.05
HK Telephone	57.5	−2.5
Hutchison Wpa.	18.9	......
Jardine Math.	9.1	+0.05
New World Dev.	5.1	−0.05
Orient O'seas	2.75	......
Oseas Trust Bk.	2.9	......
SHK Props	8	−0.1
Shell Elect.	2.02	+0.02
Swire Pac A.	22.3	−0.1
TV—B.	5.35	+0.1
Wheel'k Mard A.	4.12	−0.08
Wheel'k M'time	1.13	......
World Int. Hldgs.	1.76	+0.03

JAPAN

Jan. 8	Price Yen	+ or −
Ajinomoto	1,090	+10
Alps Electric	1,950	+40
Amada	1,090	+40
Asahi Chem.	738	+18
Asahi Glass	880	+8
Bridgestone	520	......
Canon	1,330	......
Casio Comp.	1,780	+50
Chugai Pharm.	1,130	+70
Citizen	670	......
Daiei	630	−2
Dai Nippon Ptg.	980	+10
Daiwa House	572	−13
Ebara	341	−8
Eisai	1,440	+30
Fanuc	10 890	+200
Fuji Bank	1,390	−10
Fuji Film	1,620	+40
Fujisawa	1,110	+30
Fujitsu	1,530	+40
Green Cross	1,610	−10
Hasegawa	368	+3
Heiwa Real Est.	577	......
Hitachi	851	+4
Hitachi Credit	1,150	......
Honda	1,240	+10
House Food	690	......
Hoya	2,080	......
Itoh (C)	355	+14
Ito. Yokado	2,560	−10
Iwatsu	1,570	+60
JACCS	356	−1
JAL	5,380	+10
Jusco	740	−5
Kajima	286	+6
Kao Soap	806	−9
Kashiyama	625	......
Kirin	545	......
Kokuyo	927	−3
Komatsu	465	......
Konishiroku	611	+6
Kubota	324	−8
Kumagai	524	−6
Kyoto Ceramic	6,790	+30
Maeda Const	476	−3
Muakino Milling	1,150	−10
Myakita	1,030	......
Marubeni	317	+1
Marudai	564	+4
Marui	1,040	−10
MEI	1,580	+40
M'ta Elec Works	625	......
M'bishi Bank	1,370	−30
M'bishi	553	+5
M'bishi Elec.	405	+3
M'bishi Estate	688	+9

JAPAN (continued)

Jan. 8	Price Yen	+ or −
MHI	260	−5
Mitsui Co.	350	+9
Mitsui Estate	700	......
Mitsukoshi	374	+9
NGK Insulators	955	+20
Nihon Cement	217	−1
Nippon Denso	1,310	......
Nippon Elect.	1,250	+50
Nippon Express	385	−1
Nippon Gakki	1,580	+50
Nippon Kokan	140	+1
Nippon Oil	879	+29
Nippon Seiko	640	−15
Nippon Shimpan	638	−38
Nippon Steel	152	......
Nippon Suisan	337	+7
NTV	13,200	+520
Nippon Yusen	259	−1
Nissan Motor	610	−7
Nisshin Flour	475	−3
Nisshin Steel	179	+1
Nomura	940	−7
Olympus	1,100	+20
Orient Leasing	3,330	+30
Pioneer	2,840	+240
Renown	650	+2
Ricoh	940	−9
Sankyo	1,020	−10
Sanyo Elect.	465	−1
Sapporo	413	+3
Sekisui Prefab	670	−5
Seven-Eleven	9,000	......
Sharp	1,060	+10
Shimadzu	838	−1
Shionogi	686	+6
Shiseido	1,120	+20
Sony	3,670	+110
Stanley	849	+18
S'tomo Bank	1,810	+30
S'tomo Elect	931	−9
S'tomo Marine	645	−25
S'tomo Metal	151	+2
Taihei Dengyo	500	−5
Taisei Corp.	205	−2
Taisho Pharm.	976	+16
Takeda	798	−7
TDK	4,930	+30
Teijin	438	+1
Teikoku	650	+9
Tokyo Marine	782	+3
TBS	849	+20
Tokyo Elect Pwr	1,690	......
Tokyo Gas	169	−1
Tokyo Sanyo	719	+17
Tokyo Style	759	−1
Tokyu Corp.	318	......
Toppan Print	872	+7
Toray	445	......
Toshiba Elect.	416	+5
TOTO	720	+19
Toyo Seikan	808	+1
Toyota Motor	1,250	+20
Victor	1,909	+60
Wacoal	715	−4
Yamaha	687	−8
Yamanouchi	2,830	+230
Yamazaki	635	+10
Yasuda Fire	405	+1
Yokogawa Bdge.	469	−1

SINGAPORE

Jan. 8	Price $	+ or −
Boustead Hldgs.	1.61	−0.05
Cold Storage	2.56	......
DBS	5.15xa	−0.02
Genting	4.74	−0.08
Haw Par. Bros.	1.97	......
Hong Leong Fin.	3.02	......
Inchcape Bhd.	2.35	−0.01
Keppel Shipyard	1.46	......
Malay Banking	5.4	−0.05
Malay Utd. Ind	2.36	+0.01
Multi Purpose	0.92	−0.01
OCBC	8.7	−0.15
OUB	3.74	−0.02
Public Bank	1.68	−0.01
Sime Darby	1.66	−0.03
Singapore Press	5.85	......
Straits Trdg	4.4	−0.12
Tat Lee Bk.	2.9	+0.01
UOB	4.24	−0.02

SOUTH AFRICA

Jan. 8	Price Rand	+ or −
Abercom	1.25	......
AE&CI	7.6	......
Anglo Am Coal	40	......
Anglo Am Corp.	23.4	+0.5
Anglo Am Gold	166	+2.75
Barclays Bank	15.75	......
Barlow Rand	10.5	+0.25
Buffels	68.5	+2
CNA Gallo	2.5	......
Currie Finance	4.3	−0.05
De Beers	8.8	+0.12
Driefontein	50.25	+1.75
FS Geduld	45	+1.5
Gold Fields SA	25.5	+1.25
Highveld Steel	3.8	+0.1
Nedbank	11.2	−0.2
OK Bazaars	14.5	......
Protea Hldns.	1.45	+0.05
Rembrandt	29	......
Rennies	14.25	......
Rust Plat	16.25	+0.25
Sage Hldgs	7.5	......
SA Brews	6.6	−0.1
Smith (CG)	21.5	......
Tongaat Hulett	6.9	−0.1
Unisec	5	−0.25

OVER-THE-COUNTER *Nasdaq national market, closing prices*

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 34

LONDON

Chief price changes

(in pence unless otherwise indicated)

RISES

Ex. 10½% 1988	£98⅝	+⅝
Tr. 12½% 2003-05	£116⅝	+1⅛
Acorn Comp	63	+5
Arrow Chemic	77	+5
Assoc. News	523	+23
BAT Inds.	380	+10
BOC	261	+12
Bass	498	+11
British Tele	111	+3
Britoil	200	+8
Burmah Oil	230	+7
Cable & Wire	485	+17
Coats Patons	159	+8
Courtaulds	146	+8
European Fer	140	+8
Grand Met	312	+12
Harris Queens	228	+13
ICI	738	+8
Initial	530	+25
Jaguar	276	+11
MEPC	317	+8
P & O Defd.	322	+9
Racal Elect.	272	+10
Saxon Oil	375	+35
Smiths Inds.	714	+37
Stead & Simps	165	+13
Tomkins (FH)	153	+8
Tricentrol	198	+15
Wedgwood	206	+11
Wimpey (Geo)	117	+5

CANADA

TORONTO

Closing prices January 8

Sales	Stock	High	Low	Close	Chng
400	Abti Prcr	$33½	32¼	32½	−⅛
9550	Agnico E	$11⅞	11½	11½	−⅛
530	Agra Ind A	$5⅞	5⅝	5⅝	
56015	Alt Energy	$19⅛	18⅞	18⅞	−⅛
2150	Alta Nat	$14⅛	14	14½	
2012	Algoma St	$19¼	18½	18½	
1100	Argcen	$17⅝	17½	17½	−⅛
154	Argus C pr	$11	11	11	
4000	Atco I f	$7⅜	7¼	7¼	
9500	BP Canada	$25½	25½	25½	−⅛
27995	Bank N S	$13	12⅞	12⅞	−⅛
75950	Barrick o	158	148	155	+7
1300	Baton A f	$15¼	15⅛	15¼	+⅛
35749	Bonanza R	400	390	400	+5
100	Bralorne	$5⅞	5⅞	5⅞	+⅛
3600	Bramalea	$16½	16½	16½	
400	Brenda M	$9⅛	9⅛	8⅞	+⅛
32949	BCFP	$11⅛	10⅞	11	+⅛
13630	BC Res	260	257	258	−2
23585	BC Phone	$21⅞	21½	21⅞	
2410	Brunswk	$13⅜	13⅛	13⅜	−⅛
1400	Budd Can	$14⅞	14⅞	14⅞	−⅛
5100	CAE	$14⅛	14⅛	14⅛	
575	CDistb B f	$5½	5½	5½	
4682	Cad Fry	$15⅛	14⅞	14⅞	−⅛
5094	C Nor West	$25	24⅞	24⅞	−⅛
14300	C Packrs	$28⅛	28	28⅛	−⅛
5754	Can Trust	$30⅜	30	30	−½
925	C Tung	$14⅛	14	14⅛	+⅛
22958	CI Bk Com	$29½	29¼	29½	+⅛
6400	*Cdn Nat Res*	19	18	18	
37945	CTire A f	$9⅞	9¾	9⅞	+⅛
2100	C Util B	$17⅛	17	17⅛	+⅛
71275	Cara	$11⅝	11½	11½	−⅛
48	Celanese	$6⅛	6½	6½	−⅛
100	CHUM	$37½	37½	37½	+½
575	CDistb B f	$5⅞	5½	5½	
4605	CTL Bank	$10⅛	10	10⅛	+⅛
3010	Comwest A	$6⅛	6⅛	6⅛	
1900	Conwka R	265	260	265	−5
2200	Carton A	$11⅞	11⅞	11⅞	+⅛
9000	Crowns	$15	15	15	
19050	Czar Res	155	150	154	+2
14630	Doon Dev	224	207	214	−7
1700	Doon A	270	258	270	+10
5565	Denison A	$16	15¾	16	
7590	Denison B f	$14⅛	14⅛	14⅛	+⅛
11900	Develcon	$7½	7⅛	7½	+½
3200	Dickson A f	450	445	445	
2500	Dickson B	455	445	445	+5
1700	Doman A	240	225	225	+5
33220	Dofasco A	$24½	24	24½	+¼
500	Du Pont A	$16¾	16¾	16¾	
9000	Dylex A	$28½	28½	28½	+¼
500	Elcthom X	435	435	435	+10
1300	Emco	$15½	15½	15½	+¼
19330	Equity Sur	$6½	6⅛	6⅛	−⅛
2500	FCA Intl	$17⅝	17½	17½	+¼
300	C Falcon C	$14½	14½	14½	+¼
4800	Ficnbrdge	$80	80	80	−¼
933	Fordy Res	250	250	250	−5
600	Fed Ind A	$19¼	19¼	19¼	+¼
5300	Fed Pion	$21	20¾	21	
3100	F City Fin	$12	11⅞	11⅞	−⅛
3500	Fraser	$17¼	17	17¼	+¼
300	Fruehauf	$19¼	19	19	−¼
6900	Gendis A	$24¼	24	24¼	+¼
810	Geac Comp	$11⅞	11⅜	11⅞	+⅜
4994	Geocrude	204	200	201	+1
1800	Gibraltar	$7¾	7⅝	7¾	+¼
8080	Goldcorp f	$5⅜	5¼	5¼	−⅛
700	Goodyear	$37½	37½	37¼	
1000	Grandma	44	44	44	
586	GL Forest	$84	84	84	
400	Gt Pacific	$25½	25¼	25¼	+¼
100	Greyhnd	$24¼	24¼	24¼	−¼
3500	Hrding A f	140	130	140	+5
3200	Hawker	$17¼	16¾	17¼	+½
3328	Hayes D	$19	19	19	
1068	H Bay Co	$17½	17½	17½	
10045	Imasco	$45¼	45½	45½	
6200	Indal	$11⅛	11⅛	11⅛	+⅛
10190	Inglis	$13½	12½	12½	+¼
300	Inland Gas	$14⅝	14⅝	14⅝	−⅛
23028	Inter Pipe	$34⅛	34	34⅛	−⅛
110	Inaco B	$15¾	15⅝	15⅝	+⅛
200	Jannock	$10¼	10¼	10¼	
6000	Kam Kotia	96	95	96	+6
200	Kerr Add	$14⅝	14⅝	14⅝	−⅛
11981	Labatt	$22⅞	21⅞	21⅞	
16637	Lac Mnrls	$25	24⅞	24⅞	−⅞
4400	Lacana	$10½	10	10	
44	*LL Lac*	$26⅞	26¾	26¾	−⅛
4732	Loblaw Co	$19	18¾	18¾	−¼
400	MDS H A	$18¼	18¼	18¼	−¼
91700	MICC	300	282	300	+15
34831	Mclan H X	$22½	22	22½	−⅛
41446	Marland E	455	440	445	−5
8954	Molson A f	$16½	16¼	16¼	+¼
3700	Molson B	$16¼	16	16	−¼
6100	Murphy	$21½	21¼	21¼	−¼
1750	Nabisco L	$24¼	24¼	24¼	+⅛
22670	Noranda	$17½	17⅛	17½	+⅛
934	Norcen	$15⅝	15⅛	15⅛	−⅛
10758	Nva AltA f	$7⅛	6⅞	7	
2345	Nowsco W	$16¾	16½	16½	−¼
56585	NuWst sp A	53	49	50	
750	Oakwood	55	5	5	
1380	Oshawa A f	$23⅛	23	23	−⅛
18920	PanCan P	$28¾	27⅞	27⅞	−½
5700	Pembina	$17⅛	17⅛	17⅛	+⅛
530	Phonx Oil	$7½	7½	7½	−⅛
100	Pine Point	$22½	22½	22½	+¼
3000	Placa GO o	105	105	105	−10
19410	Placer	$22	21¾	21¾	+⅛
500	Provigo	$16¼	16⅛	16⅛	
300	Que Sturg o	385	385	385	+5
1000	Ram Pet	$5⅞	5⅞	5⅞	−¼
1300	Rayrock f	$8	8	8	
1756	Redpath	$32	31½	31½	−¼
35544	Rd Stenhs A	$17⅞	17⅛	17⅛	+⅛
17100	Res Serv f	185	175	180	+10
367	*Revn Prp A*	101	101	101	−10
1900	Roman	$13¼	13⅛	13¼	
3100	Rothman	$42	42	42	+1
4600	Sceptre	$5⅜	5⅛	5⅜	
3450	Scotts f	$17½	17½	17½	
6683	Sears Can	$7⅞	7⅝	7⅝	−⅛
10720	Shell Can	$22⅝	22⅜	22⅜	−⅛
2442	Sherritt	$6⅛	6⅛	6⅛	
850	Slater B f	$9¾	9⅛	9¼	+⅛
3119	Southm	$53⅛	52⅞	53	+½
2720	St Brodcst	$12	12	12	
13578	Stelco A	$20⅛	20½	20½	
1100	*Suptro*	290	290	290	+5
600	Sleep R	215	215	215	
50	Suncor pr	$23⅞	23⅞	23⅞	−⅛
7050	Sydney o	22	21	21	+1
3000	*Talcorp*	73	73	73	
3100	Tara	$15¼	15½	15¼	+⅛
1690	Teck Cor A	$10	9⅞	10	+⅛
7073	Teck B f	$10½	10¼	10¼	+⅛
7151	Tex Can	$36¼	36	36	−⅛
10050	Thom N A	$49	48	48½	
85175	Tor Dm Bk	$17⅞	17⅞	17⅞	−⅛
597	Torstar B f	$16⅞	16⅞	16⅞	+⅛
6937	Traders A f	$20¾	20¾	20½	−⅛
210	*Trns Mt*	$7⅞	7⅞	7⅞	
6400	Trinity Res	450	445	445	−15
23579	TrnAlta UA	$23½	23¼	23¼	−⅛
46103	TrCan PL	$21¼	21½	21¼	+⅛
9790	*Trimac*	450	435	435	
17750	Turbo f	29	28½	29	+½
500	Unicorp A f	$7⅞	7⅞	7⅞	−⅛
352	Un Carbd	$10¼	10¼	10¼	
46340	U Entprise	$12¼	12	12⅛	+⅛
500	U Keno	$10	10	10	+⅛
1000	Van Der	225	210	210	+5
4350	Versil A f	$5⅜	5⅜	5⅜	+⅛
350	Vestgron	$10¼	10¼	10¼	
2400	Westmn	$11⅝	11⅞	11½	−⅛
400	Weston	$74¼	74	74	−¼
1113	Woodwd A	$10¼	10⅝	10⅝	−⅛
1200	Yk Bear	$10⅞	10⅞	10⅞	

Total sales 10,173,368 shares

MONTREAL

Closing prices January 8

Sales	Stock	High	Low	Close	Chng
48483	Bank Mont	$25⅞	25½	25⅞	
2550	ConBath	$16¼	16⅛	16¼	+⅛
4379	DomTxtA	$12⅝	12½	12½	
1100	*MntTrst*	$12½	12½	12½	−⅛
45721	NatBk Cda	$14⅛	13¾	14	
4600	Power Corp	$28⅛	28¼	28¼	−⅛
600	RollandA	$14⅛	14⅛	14⅛	
1200	RollandB	$15	15	15	+⅛
32023	Royal Bank	$30	29⅝	29⅝	
3084	RoyTrstco	$17	16¾	16¾	−⅛

Total sales 3,773,751 shares

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 15

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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FINANCIAL TIMES SURVEY

Wednesday January 9 1985

DISTRIBUTION SERVICES

Larger companies are recognising that distribution management is an area ripe for improvement but smaller businesses need to catch up with new developments

A Cinderella activity no longer

BY HAZEL DUFFY

CHANGING CONSUMER demands—and the necessity for retailers and manufacturers to meet them—are having a decisive impact on distribution management in the UK.

Hitherto a Cinderella activity within many companies, it is now beginning to attract the sort of attention previously reserved for more glamorous disciplines, such as marketing and finance.

Reappraisal of the distribution function has been prompted from two directions: the revolution taking place in retailing, and the need—brought about by the recession—for companies to give much more attention to stock levels and their financing.

Distribution is, therefore, no longer simply about getting goods from one place to another—whether it be the supermarket, factory, or the shop in the high street. Companies intent on efficient distribution must now look to their systems of maintaining stock levels, location of warehouses, and methods of handling materials and goods, with a diligence which would have been unthinkable 10 years ago. The practice of calling in consultants specialising in distribution—including leading management consultancy firms such as Coopers and Lybrand, and Arthur Andersen—is growing.

The benefits to be gained from better distribution methods depend on the ability of a manufacturer or retailer to make substantial investment in new warehouses, handling methods, and computerised control systems. National Carriers Contract Services, one of the specialist companies to which manufacturers and retailers are increasingly turning for their transport needs, estimates, for instance, that each total physical distribution management (PDM) contract will require a minimum £1m investment.

Distribution experts are almost unanimous in attributing the majority of the initiatives in moving and storing goods to the retailers themselves. With the retailer calling the tune, suppliers who want to maintain their position have little option but to fall in line. Changes in retailing practices, too, have been considerable. With food sales static, the more progressive retailers have, for instance, emphasised fresh foods.

The increase in the range of products stocked by the average supermarket, as well as its size, has also brought change. Big delivery lorries can no longer arrive at any time during the day. They must have specific unloading times assigned them by the retailer, and if they are late, they may not be asked to return.

Changes

The big, household names in retailing, such as Marks and Spencer, Sainsbury, and Asda, in many cases operating giant superstores selling household equipment as well as food, in new locations on the outskirts of towns and suburbs, have set the pace in developing tight new distribution schedules. As a result producers and processors of frozen foods, chilled foods, and dry goods, as well as the brewers and drinks distributors, have had to rethink attitudes. Other sectors examining total PDM so as to improve the service they give to clients include electrical goods, vehicles, building, print, glass, and furniture.

Nor has change been confined to the retail end. The distribution of parts, records, cassettes videos, to wholesalers is similarly being updated. Intermediate parts of the chain *as well as the final consumers*, are unwilling to buy from unreliable suppliers and risk delays all along the line.

Just one example of the sort of changes being introduced comes from a study carried out by consultants for the UK distribution subsidiary of a Continental manufacturer of small tools and equipment for the construction industry. Although operating a fairly sophisticated system, problems were growing concerning the availability of products, increasing costs, and, most worryingly, in the level of customer complaints.

The consultants simulated the distribution of each product group in an effort to find the best solution for the company. They recommended, finally, that the company should cut out one tier of its warehouses, leaving central and local warehousing only install a new order supply computerised system which would vastly improve data on availability; and subcontract all its transport.

Yet, although the trend is towards increased use of contracting out, with specialist companies taking the equipment off the manufacturers' or retailers' books and assuming *responsibility for drivers'* wages, maintenance of vehicles, and other aspects of transport management, some companies feel this does not give them sufficient control over what is happening to their products or supplies.

This has resulted in the growth of dedicated contracts—arrangements between customer and distributor which are exclusive. A big retailer, for instance, *may* put its own manager into a warehouse which is run by a distributor.

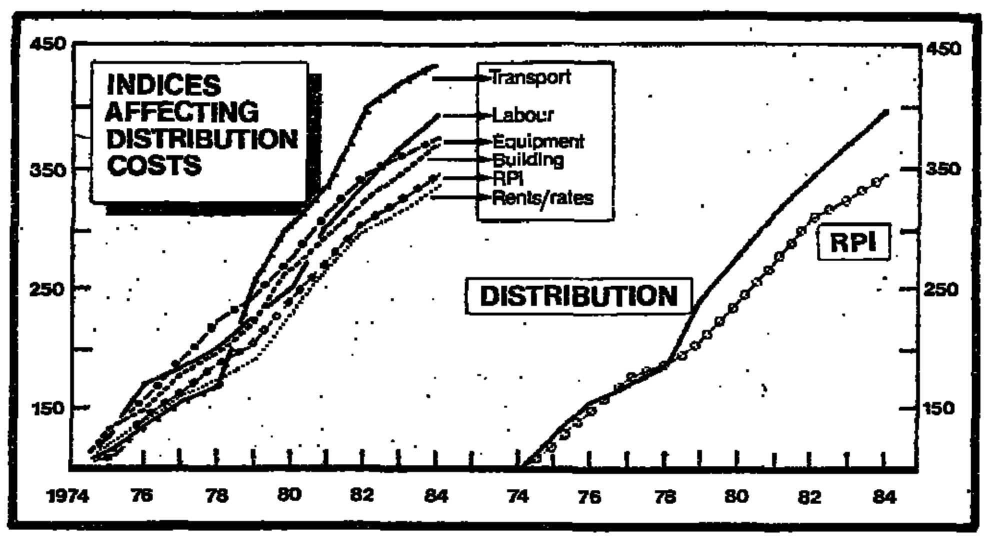
In the past few years another major change on the distribution scene has been the arrival of *new parcels* carrier services. Companies such as Lex Wilkinson, TNT, Atlas (and the Post Office in the small parcels range), are engaged in a tough competitive struggle to provide a next-day service with a high degree of reliability.

Acquisitions

Estimates of the size of the industry are difficult to make. In turnover, British Road Services, SPD, Christian Salvesen, Wincanton, Lowfield rank highly. (Other companies not included in this list are more oriented towards transport rather than distribution.)

NFC's acquisition of SPD from Unilever will consolidate the market, and is another sign of the struggle some specialists are having in providing national distribution networks, while still producing a profit for their parent companies.

The management of distribution, with the help of the Institute of Physical Distribution Management (part of the BIM) and the growth of specialist consultancy services, is increasingly being recognised as an area where improvements can be made. Most larger companies are already well aware of this, but it is a message that many smaller companies have still to take on board.



Source: CPDM survey of Physical Distribution Costs

Mr Raymond Horsley, chief executive of the Institute of Physical Distribution Management.

Wider acceptance sought in boardroom

THE INSTITUTE of Physical Distribution Management is, claims its chief executive, Mr Raymond Horsley, the fastest growing professional institute in the UK. "It is the institute, now with 4,000 individual and corporate members, that has provided the fillip to a greater recognition of the importance of distribution management to the profitability of British industry.

Formed in 1981, it grew out of the Centre for Physical Distribution *Management*, of which Mr Horsley is manager. "Five years ago," he says, "the physical distribution manager started at the bottom of a company and worked his way up. The picture is changing. PD managers are now more highly qualified, there is a much *greater awareness of the* importance of distribution costs, coupled with an increase in the use of advanced technology."

He still finds a reluctance in some companies to look at logistics. There has been a revolution in distribution in the last five years, but there has not *been adequate training to help* companies cope with the changes.

Mr Brian McKibbin is managing director of PW International, management and industrial consultants. PW conducts an annual Survey of Distribution Costs for CPDM. He too expresses disappointment at the limited movement in the acceptance of the concept of PDM. There is, he says, little real commitment to the concept. There are still major companies which do not recognise PDM as an independent management function and even more which have failed to give board representation to the discipline.

This lack of recognition is having a considerable impact on the competitiveness of British exports to Europe, for example. A recent survey by CPDM of current practices of UK exporters to Europe found that *many are still selling their products* on an "ex works" basis despite the availability of through transport *and distribution* services. "This puts the UK products in a position of inequality with locally produced products," concluded the survey.

"Whilst the decision to use through transport is being taken by the distribution/transport/shipping managers (78 per cent), who are clearly taking full advantage of the direct through services available, they have little authority over the selling terms used. On the *other hand, the marketing managers*, who apparently decide the selling terms, seem not to be involved with the physical movement of the goods to the customer.

Mr Horsley believes we have much to learn from the European practice of physical distribution management. CPDM and IPDM were hosts at an annual European Logistics Congress, in London at the end of last year. The institute also recently announced that it is joining with a number of European distribution associations to form a "federation."

Literature and common items of interest will be exchanged and "the addresses of other national institutes will form a useful contact point for members who would like information or help on a particular distribution problem in mainland Europe."

One of the most important ways in which we trail behind Europe—and America—is in the recognition of PDM as a subject for study. The institute is itself attempting to fill some of this void. From last year, it is offering a diploma course in distribution studies, hoping to draw students entering the profession from college and also those who have already had some experience in distribution in industry and commerce. It is also working with a handful of companies to provide management trainees with one *week's course in PDM every six* months.

CPDM's single most important initiative is its annual Survey of Distribution Costs. The second such survey was published last month. Its main objective is to provide participating companies with comparative data about their own distribution operations.

It is felt that companies sometimes fail to take remedial action because they are unaware of what can be achieved by comparing their operational costs with those of other organisations in their sector.

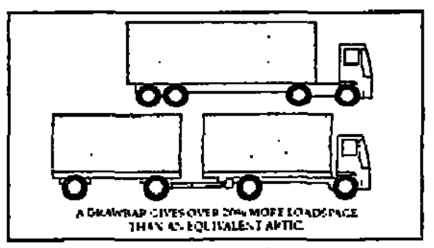
By creating a wide brief to cover total distribution costs, it was hoped that companies would be persuaded to investigate and quantify their distribution operations, to bring into account other functions previously placed under different *cost centre headings. The survey* tackles both strategic and tactical distribution.

It was also expected that the creation of an annually updated distribution base, centred on Standard Industrial Classifications would provide an ideal means of assessing future trends in distribution patterns.

In the event, both PW and CPDM see the response to the survey as disappointing, especially in the light of provisional figures for 1984 which suggested that distribution costs are moving ahead of the Retail Price Index after a temporary easing between 1982 and 1983.

Details of survey, Page 2

Alastair Guild



A DRAWBAR GIVES OVER 20% MORE LOADSPACE THAN AN EQUIVALENT ARTIC

Retailers flex their muscles

The Structure

PHILLIP HASTINGS

STEADILY INCREASING retailer influence, changing cost factors, effects of recession and environmental considerations are combining to change substantially the shape of the UK distribution industry.

Own account distribution operations are declining as manufacturers and suppliers increasingly find the pattern of such activities being dictated by their customers, notably the major retail organisations, looking for ever more sophisticated total distribution systems.

One of the most graphic illustrations of this trend over the last couple of years has involved the Unilever group which during that period has switched from a position where it appeared to be looking for development of transport and distribution operations to the point where in recent months it has been selling off those same activities.

Among the first to go was Unilever's forwarding company Unispeed International which after the failure of a management buy-out attempt led by then managing director Paul Jackson was subsequently acquired by the large Irish transport organisation, McCool.

More recently, various other Unilever-connected distribution companies have been put on the market. Textile and hanging garment distribution specialist Tibbett and Britten, for instance, has been bought by a group of senior managers from within the company and the SPD Group of which it was a part—chairman and managing director of T&B is now John Harvey, formerly managing director of SPD.

Then, towards the end of last year, it was confirmed that the employee-owned National Freight Consortium was acquiring the SPD group itself. A wholly-owned subsidiary of Unilever, SPD's current operations include national distribution and warehousing (SPD Distribution); national distribution of fragile and high-value goods (Carrycare); tailormade warehousing and distribution dedicated to individual clients (Contracts and Trading Division); and the Unispeed contract bulk haulage company.

For the NFC, chief executive John Mather said SPD would fit well into the consortium's distribution strategy. Other distribution industry executives see Unilever's move out of such operations as just the latest evidence of the way the industry is being shaped by the changing balance of power between manufacturers and major retail organisations.

Looking back, those executives point out that during the 1960s manufacturers extensively developed their own account operations—at one point own account was reckoned to represent some 70 per cent of distribution in the UK—with these being used in many cases as a marketing tool.

This pattern continued into the 1970s with the most sophisticated distribution systems and the major advances in vehicle design and warehousing/handling systems all tending to be initiated by suppliers' own systems. As recently as 1982, it was estimated that over 40 per cent of grocery traffic was still arriving at retailers' premises on the suppliers' own vehicles.

However, according to other distribution executives such as Tibbett and Britten's Mr Harvey, recession has caused major upheavals over the last few years.

"Service levels increased as retail inventories fell, and traffic declined as manufacturers and retailers diverted volume to support their own in-house systems," said Mr Harvey.

"To increase productivity, the retailers introduced appointment systems, nominated carrier schemes, etc, which effectively pushed back cost burdens to the carriers and ultimately the supplier."

Margins falling

By 1982, claimed Mr Harvey, half the carriers were working below cost, the industry margin had fallen to 1.4 per cent and cash flow difficulties had exposed the frailties of non-replacement accounting, which was the practice of 90 per cent of the industry.

Subsequently there had been a lot of divestment, retrenchment and specialisation, with carriers seeking contractual relationships. Consequently, there was now less resource and price flexibility in the distribution chain and transport would cost more.

"There are increasing constraints on suppliers using distribution as a marketing tool and, to vary their own cost, manufacturers are deciding when and how to disinvest from their established networks," added Mr Harvey.

In 1983, he continued, own account fleets had fallen by 15 per cent. This reflected a number of factors, including physical system obsolescence, with a reduced number but increased size of retail outlets. Other factors included changes in the relationship of outlets to motorways and advances in information technology.

Retailers for their part have over the last few years been looking to reduce stockholding and increase distribution speed from centralised holding points. It was recently estimated that some 40 per cent of deliveries in the UK food, drink and tobacco sector are now direct to retailers' or contractors' central warehouse with only 30 per cent going through intermediate breakbulk systems, a third of the level 10 years ago.

Coupled with this trend has been another for retailers to take over more and more control of distribution systems. Some, such as Marks and Spencer and Sainsburys, have systematically developed systems founded on total cost management, and made major progress.

An example of the more advanced retail distribution set-ups involves Sainsbury's operation in the south-west of England, an NFC-managed operation. The NFC owns a 200,000 square foot warehouse which is run on behalf of Sainsburys using the latter's computer system.

Mr John Mather, chief executive of the NFC: the SPD Group will fit well into the Consortium's distribution strategy

"Manufacturers make their deliveries into that warehouse on a timetabled basis. NFC vehicles in Sainsbury's livery then deliver from that warehouse to outlets in the West Country and South Wales," said a senior NFC executive, British Road Services group managing director, Geoffrey Pygall.

"This is a good example of the way this type of distribution operation is developing and is probably the forerunner of others."

However, while the trend for retailers to have a much greater say in distribution operations is tending to reduce manufacturer activity in that field, some suppliers have taken a different approach and decided to capitalise on existing investment by converting a domestic cost centre into a third party trading unit.

A good example of this development is the Tate and Lyle Group which includes a commercial transport division, Tate and Lyle Transport, to provide distribution services both for the group and increasingly for third party customers.

Basically, TLT is primarily involved in the distribution of Tate and Lyle's own products such as packed sugar to retail customers and liquid and dry bulk sugar, syrups, etc to industrial customers. In addition, TLT has a division called Silver Roadways which acts as a clearing house operation for packed products and arranges transport for other industrial clients using backload capacity.

A third arm of the TLT operation, TLT Distribution, runs five depots in the UK for the handling of sugar and sugar products but also carries out multiple distribution for other clients such as breweries, retailers and major food manufacturers.

Asked why Tate and Lyle felt there was still potential in the development of its own distribution operations when other manufacturers and suppliers appeared to be pulling out, recently appointed TLT managing director Tony Stanton—previously managing director of Ocean Transport and Trading's Cory Distribution — agreed there was a trend towards retailers dictating distribution patterns.

"However, Tate & Lyle is a food manufacturing company with one range of products and we currently believe it is better to keep the distribution of those products in-house as it is a highly specialised operation in terms of quality control and hygiene considerations," said Mr Stanton.

"On the third party side, we are already doing distribution for other manufacturers and we believe there are still opportunities in that sector. Certainly, retailers are having more say in distribution matters although there will still be opportunities for multi-distribution services operated by regional contractors."

For the future, one trend which most executives within the distribution field are agreed will continue is that towards the development of "partnerships" between service providers and users. Such is the scale of investment needed by distribution service companies to meet the high demands of customers, that some sort of two-way commitment is a necessity, they argue.

Pressure

"If you are going to meet customer distribution demands these days you need more than a trailer and an annual punch-up over rates," said Mr Pygall of BRS.

"For example, some of the 40-foot refrigerated trailers used in distribution operations these days can cost £50,000 a piece. You really cannot make that sort of investment on the off-chance you may be able to get a load for it tomorrow."

Another factor likely to encourage closer co-operation between retailers, suppliers and distribution service operators is that of growing environmental pressures.

Ever increasing restrictions on distribution operations in terms of vehicle access, loading, parking, etc, highlighted by the Greater London Council plans to limit drastically night and weekend commercial vehicle operations, will have substantial operational and cost implications for everyone involved in the distribution chain.

This will in turn, believe distribution industry observers, promote greater co-operation between retailers, suppliers and transport operators in terms of delivery timing, scheduling, preconsolidation of deliveries and compatible equipment.

However, perhaps the major question still to be answered as far as the medium-term development of the UK distribution industry is concerned is how the increasingly powerful retailers will direct their control of distribution channels. Their policies and actions are likely to shape the structure of the distribution sector over the next decade at least.

SURVEY OF DISTRIBUTION COSTS

Stock levels play an important role

ONE OF the conclusions of the survey carried out for the Centre for Physical Distribution management is that companies are now much more conscious about stock levels. There has been a widespread introduction of computerised stock control systems, including historical trend and forecasting analyses, though the effect of smaller, more frequent customer orders has been to increase delivery — therefore transport costs. Manufacturers are responding with more flexible and responsive production techniques, making to order and with closer customer liaison.

The survey found that the main stockholding costs are interest charges on capital employed and warehouse occupancy costs. The warehouse occupancy costs, predominantly rent and rates, are critically dependent on peak stock levels which often coincide with important peak sales periods. The survey emphasises the importance of computer control on stocks and re-order schedules to minimise inventory charges and reduce peak stock levels and warehouse occupancy rates.

Stock investment

Stock turnover figures suggest that larger companies achieve a better return from stock investment. Their enhanced purchasing powers give them opportunities to obtain more frequent supplier deliveries of relatively smaller quantities than their smaller competitors.

Customer service requirements for fast moving stock may well impose a multi-depot configuration on companies, however, with a corresponding increase in transport costs. Survey results show that the distribution costs of companies operating single depots were significantly lower than those companies operating a multi-depot system. In many cases, the expected cost savings of a multi-depot system do not appear to have been realised.

With the possible exception of mobile equipment depreciation, short-term cost-cutting exercises can only realistically be directed at labour costs. On average, they account for 40 per cent of total distribution costs. However, they represent less than half of the costs supposedly under the control of distribution management.

"This tends to illustrate the true importance of a correctly thought out and regularly monitored distribution strategy. Companies can be incurring substantial cost penalties due to badly structured distribution chains. Some common problems include too many badly located storage centres, excessive stock levels and incorrect fleet profiles. Companies could also make substantial cost savings by monitoring and controlling packaging requirements."

The survey has pinpointed an increased use of third party services to supplement —and, in some cases, to supersede—own company distribution operations. "It has often been said that some of the most effective distribution operations can be found in the food and drinks industry. The 40:35:25 storage cost mix between labour, occupancy and third party services will not suit all companies.

Flexibility

"However, the implied flexibility of a 40 per cent labour content combined with a 25 per cent third party service to absorb seasonal work load fluctuations could satisfy many diverse distribution operations. Again, the 50 per cent third party contribution to transport costs in the food, drink and tobacco group may be necessary to maintain a flexible distribution response to constantly changing markets."

Finally, there is a clear trend towards a more professional and integrated approach to materials management, the impetus for this coming from an improved balance between distribution orientated systems and facilities. "The planned integration of distribution, sales and marketing can ensure that the implications of new policy decisions are clearly understood throughout a company.

"The adverse impact of a decision on, say distribution costs, may be outweighed by the benefits of an improved sales performance. In such a case, the distribution division should not be penalised for its apparent poor performance."

Survey of Distribution Costs, published by The Centre for Physical Distribution Management, available from CPDM, Management House, Cottingham Road, Corby, Northants NN17 1TT. Price £5.

Alastair Guild

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Reliability is the name of the game

The methods

HAZEL DUFFY

COMPETITION between the various modes of transport as well as between operators enables the distribution manager to take advantage of competitive rates. The selection of the mode of transport, however, will depend to a large extent on the type of material and *freight to be transported.*

Road transport is the most flexible form of transport, particularly where goods are to be delivered to the high street. However, the miners' strike has demonstrated that lorries can be quickly substituted for rail even for the transport of bulk materials traditionally taken by rail inland—coal, iron ore, and bulk steel products.

Other considerations which are of more than purely economic interest might well dictate that it is far more preferable that coal transport should return to rail, or inland waterways. In Britain, however, where regulation by mode of transport does not exist, the market will hold sway and a proportion at least of that traffic which went by rail will be transferred to road hauliers *where trade unionism is far* less solid than among the railways.

Over the past 10 years, road transport as a proportion of total freight transport has fallen from 65 per cent to less than 60 per cent, while rail has dropped from 15 per cent to 9 per cent. The main reason for the decline in road haulage has been the increase in waterborne traffic from about 17 per cent to 26 per cent.

It has not been the inland waterways which have picked up traffic but coastal shipping. This reflects Britain's emergence as an oil producer and therefore the need to transport crude oil as well as petroleum and petroleum products, all of them particularly suited to coastal transport.

On the same basis, pipelines have become more *significant* in the total transport scene. They now account for 6 per cent of all freight movements compared with 3 per cent 10 years ago.

When oil and coal products are excluded, however, the dominance of road transport in the movement of goods becomes apparent once again. Around 90 per cent of goods, measured in volume terms, are moved in this way.

In the past 10 years, changing consumer demands in particular have caused special*ist needs in transport to be met.* The growth in supermarkets, for instance, and similar retail outlets for a whole range of products—from garden furniture and do-it-yourself to the one-stop motorists' store—have *dictated* that transport vehicles mainly lorries, have been adapted to meet these requirements.

The growth in the frozen foods market and the demand by consumers for much wider ranges of fruits and vegetables than were available even 15 years ago have created the need for specialist vehicles.

FREIGHT MOVEMENTS:
Trends 1981-84 (bn tonne-km)

	1981	1982	1983	1984
Pipeline	9.3	9.3	9.5	9.6
Road	97.1	100.0	105.0	108.5
Rail	17.5	15.9	17.5	17.5
Water	41.9	44.4	47.0	49.0
Total	165.8	169.6	179.0	184.6

Source: Euromonitor.

In almost every aspect of distribution, it has been the retailing and wholesaling of consumer goods which have been in the forefront of change. The mode of transport is simply the means of getting those goods from one place to another, and it therefore follows that the operators who were able to respond most rapidly to the changes were those that captured the business.

That has been primarily in road haulage mainly because of its highly competitive structure.

Changing methods in the *movement of goods internationally* have been most evident in containerisation and roll-on/roll-off vessels, for non-bulk cargoes. Road transport is dominant in the movement to the ports. Freightliner—part of British Rail—can offer the maximum flexibility in container services by using rail and road, but the subsidiary is only just getting to grips with its high cost structure.

The growth in roll-on/roll-off for short haul sea routes and *the expansion of* Britain's trade with continental Europe has shifted the emphasis away from the deep sea ports on the west coast of the country to east coast ports. Better roads to these ports continue to be a priority after the near completion of the motorway network.

There is no doubt that the motorway construction programme provided an enormous boost to the attractions of road transport. The remaining links waiting completion are primarily the M25 around London—due to be completed in autumn 1986 — and the extension of the M40 from Oxford to Birmingham, providing an alternative to the heavily used M1. The outcome of the public inquiry into the latter is still awaited.

Elsewhere, a new inquiry has opened recently into the M1/A1 link and many other gaps could doubtless be filled to improve the road network. The major emphasis in the next decade, however, will be on improving urban roads, particularly in London. The Department of Transport has not yet spelled out how it is going to do this, but nobody engaged *in transport professionally* would argue against the need.

A flat-top trailer carrier, before its final fitting-out, which became part of a roll-on/roll-off service between London and Ostend.

The problem will be, as always, how to do this with the minimum disruption to residents in the area. The abandonment of the latest inquiry into the widening of the Archway Road in north London emphasises that passions still run high on road schemes.

Road hauliers are being challenged to some degree by Railfreight, BR's freight sector. In the past few years, BR's freight vehicles have been totally overhauled and/or replaced, along with a programme of terminal closures and modernisation, to *help* the railways bite into the general haulage dominated by road.

This service, called Speedlink, is making some inroads. Customers need only deal in wagonloads instead of trainloads, and the service operates mostly overnight to give next *morning delivery. It* works with road haulage operators to offer the most effective combination where required.

Reliability has to be the kev to any successful transport operation; the 1982 rail strikes were a harsh interruption. Although BR recaptured most of the business, the doubts linger about long-term centainties which have been reinforced by the railwaymens' sympathetic action with the miners.

Britain's inland waterways—probably the most neglected in Europe as a mode of transport—are also seeking to challenge their overpowering competitors.

The potential for international traffic might be enhanced if the BWB could launch a barge-carrying vessel, which avoids the need for transhipment at ports.

Air freighting has grown little in recent years. The image remains that it is expensive and therefore suited only to light goods which need to be moved quickly. The disputes at *Britain's docks twice this year* have made transporters look again at air cargo operations, particularly on the North Atlantic where overcapacity can make rates quite competitive.

Easing life for the user

The specialists

HAZEL DUFFY

TRANSPORT IS about getting goods and materials from one place to another. Distribution involves very much more, even for a company with fairly simple operations.

The problem in identifying distribution costs is that some companies see them simply in terms of physical movements, while others recognise that distribution involves transport, warehousing, administration and processing of orders, and inventory holding costs.

Traditionally—although there have been always many exceptions—large companies have operated their own distribution. This has applied to manufacturers and processors, like the British Steel Corporation, *as* well as to retailers and wholesalers.

At the other end of the scale, few smaller and medium-sized companies would have found it worth their while having their own fleet of vehicles with all the associated costs of maintenance and payment of drivers' wages.

In between these two extremes, however, fall many companies which operate a mixture of the two, i.e., they contract out some of their requirements—mostly transport—and keep some "in-house." The *arrangements for contracting* out will vary enormously.

A company may have a long-term contract with a haulier for use of his vehicles, and/or drivers; those vehicles can be *painted in the customers' livery* if so specified, and if the size of the operation deems this worthwhile; or a company may decide to keep its basic distribution needs "in-house" while using one of the ever-growing number and increasingly competitive parcels services for fast deliveries. Some companies will combine all of these variations.

There is a large number of companies which offer specialist distribution services, both in part and a full service. Included in the latter can be warehousing, stock control, ordering, etc so that the customer simply keep *stocks* at the required level.

There are a few customers companies which prefer to contract out all of their distribution, for instance, Mars, but *maintain control of the system* within the company.

Retailers and wholesalers, whose distribution costs form a larger proportion of total costs than those of a manufacturer, tend to lead the field in varying the elements of distribution and coming up with new ideas.

Many of the specialist distributors that they use are subsidiaries of groups, acting as the distributor for that group of companies' requirements, and also selling its services independently. Distribu*tors which fall into this category* include SPD, part of Unilever; but now being sold; High Street Transport which is part of the Burton group; Wincanton, part of Unigate; and Lowfield Distribution, owned by the Imperial group.

Loading vehicles with Boots products is a six-day-a-week job for BRS employees at Spennymoor. Co. Durham.

Small proportion

The proportion of their business accounted for by their parent group's requirements may be quite small. Their external activities may well comprise distributing the goods of competitors of their parent — High Street Transport, for instance, specialises in the distribution of clothing and associated products, and two thirds of its turnover is outside the Burton group.

It is competing with other specialists, like Fashionflow, part of the National Freight Consortium, which specialises in the distribution of hanging garments for customers, including Marks & Spencer, and Tibbet and Britten, also part of Unilever until recently when it was the subject of a management buyout.

Companies frequently contract out their transport when specialist vehicles are neces*sary. Frozen and chilled foods* for Marks & Spencer, for instance, are carried by BOC Transhield. Other specialists in cold storage and transport of frozen foods include Edinburgh-based Christian Salvesen, Union Cold Storage, and Frigoscandia.

The investment in this sort of vehicle and chilled storage is substantial. Provided the specialist distributors give the level of service which meets the exacting demands of customers in the retailing business, it may well be preferable to *contract out transport and* distribution.

The NFC is one of the largest road freight groups in Britain along with the Transport Development group. NFC has succeeded in adapting itself quickly to the changing requirements of customers. Since the employees bought the company from the State, many people in the industry expected the nationalised industry mentality to linger, but the group is in fact very successful.

British Road Services, the largest member of the group, has concluded two interesting exclusive arrangements recently for the distribution and warehousing of Sainsburys supplying and retailing needs in the south west of England, and for the delivery from the brewery to the point of sale of Whitbread beers *in the South East,* for which it formed a joint company with Whitbread.

Both contracts required detailed knowledge of the businesses in which BRS was *planning* to operate. The negotiations lasted many months. For the Sainsbury operation, BRS has provided the finance for the construction of a specialised distribution *centre.*

It has agreed to tight performance targets and Sainsbury has the right to terminate the agreement within specified conditions should BRS not be able to meet those targets.

Deals of this size are few and far between between. They demand that the distributor has considerable financial resources, or access to finance, if it is to fund the property part of the agreement. The distribution centre is tied exclusively to the customer.

Retailers are increasingly demanding that their suppliers provide a standard of distribution' service which simplifies life for the retailers. Specialist distributors are being brought in on this side as well. Wincanton, for instance, has contracted a 110,000 sq ft warehouse in the Manchester area to CPC's grocery products division, which makes a large number of *household name food products.*

In addition to warehousing, Wincanton now provides a fleet management service for CPC's industrial division. The fleet of tankers carrying glucose and caramel have been transferred to Wincanton on a "with-driver" basis, leaving the company to get on with its real business of food processing.

Internal review

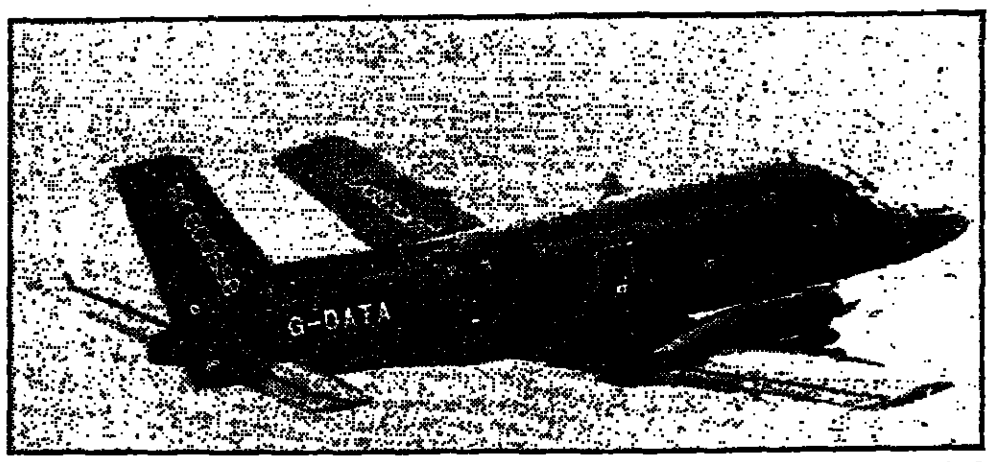
Some big retailers, including supermarket chains, prefer to operate at least part of their own distribution: Tesco, for instance, after a major internal review, has decided on new arrangements based on a centrally controlled distribution service, with regional centres, which include common handling facilities, more tightly controlled inventory, and contracting out certain specialist functions to balance "in-house" operations.

Minimising warehouse space at retail sites is a big concern of all retailers—storage space at warehouses is less expensive to build and operate. System controls packages are increasingly giving suppliers and retailers the opportunity to maximise efficiency by deciding which products to stock at a national distribution centre, regional distribution centre, the centre operated by a contractor, or straight from the point of supply to sale.

The solutions are being worked out between customers and distributors, the latter rapidy acquiring this sort of knowledge in order to compete in the increasingly sophisticated *business of distribution.*

Distribution Services—4

Continued demand for next-day parcels delivery services is encouraging new developments



This specially chartered aircraft has been nicknamed the *Flying Pillarbox because of its vivid* colouring of Royal Mail red and yellow lettering

Expanding range of express services

Domestic

PHILLIP HASTINGS

SAME DAY, next day or two-day—the options for express delivery of parcels within the UK have developed rapidly over the last few years.

While precise figures for the growth of the market are hard to come by, service operators believe it is currently in the order of 10 per cent a year, *making the business* an important sector of the overall UK distribution industry.

Growth of express parcels services has been inspired by both internal and external *pressures.* From inside the distribution world, for example, there has been an increasing demand for such services from traders looking for fast delivery services to support reduced stockholding, a policy encouraged by high interest rates and general cash flow considerations.

Quick to spot the potential of such demand, established distribution service operators and a number of newcomers have swamped the UK market with a range of express services offering all sorts of delivery time/price options. The variety of services on offer has in turn caused more manufacturers and retailers to consider the distribution possibilities created.

"Recession forced many companies to destock, so creating a demand for faster distribution services. As the number of those services has increased so companies have found it is not necessary to keep large stocks," said Mr Colin Millbanks, managing director of express parcels carrier Lex Wilkinson.

He added that the availability of express services had also encouraged companies to think about the advantages which could be passed on to their own customers.

"Just before Christmas, for example, some of our customers switch all their traffic over to overnight delivery. This means they can in turn offer their retail customers the facility to ring up for new supplies one afternoon and have them delivered the next day, so *ensuring products* are on the shelf in the shops and available for purchase."

With *express parcels services* now becoming established as an integral part of the UK distri*bution industry,* so competition among service providers has intensified. Public sector *organisations such as* the Post Office and British Rail are now fighting for business with a *host of private operators* such as Lex Wilkinson, the National Freight Consortium companies National Carriers and Roadline, Securicor and TNT Overnite.

British Rail can justifiably *claim to* have been among the first organisations to offer a nationwide express parcels service with *its* Red Star operation incorporating station-to-station movements and Night Star overnight movements including delivery to the customer's door.

However, faced with greater competition from road-based operations, BR has had to intensify its marketing activities, offering simplified tariffs and abolishing certain cross-town transfer charges.

Similar moves are being made by City Link Transport which offers a door-to-door parcels collection and delivery service throughout the UK based on BR's Red Star operation. The company specialises in same-day deliveries but with a second-tier next morning service as well—one of its latest marketing ploys includes offering the latter at a straight 25 per cent discount on the now single basic rate for same-day parcels delivery.

Simplified tariff

The moves by City Link and BR to *simplify their tariff* structures may help to answer one of the more common complaints from customers about express parcels services in general—that tariffs are difficult to understand and include *too many* provisos and exclusion clauses about promised delivery times.

Answering that point, City Link's group marketing director Michael Farback claimed his *company had not* experienced confusion among customers as far as rates were concerned but agreed there were some other areas of uncertainty.

"Customers should be clear *in their own minds* what level of service they are really looking for. They should not be buying an overnight service if a 2-3 day delivery would do," he said.

Privately, many express parcels industry executives admit that a number of their customers often demand a level of service above that which they really need. They deny, however, that those same customers are being stampeded into using express services when they do not need them.

"I do not believe people are getting carried away with the idea that they must use express parcels services even *if* they do not need them," commented the marketing manager for the Post Office's premium services, John Payne. "Inland within the UK, for example, it would cost £10 *for a small package* to be delivered the next day if it was a one-off consignment so not many companies are going to pay that sort of money for a service they do not need."

Central to the Post Office's bid to grab a significant share of the UK express parcels market, both domestically and internationally, is its Datapost service. Within the UK the service offers both same-day and overnight delivery, while overseas express deliveries can now be made in more than 50 countries.

The overnight service guarantees to deliver urgent documents and goods up to 27.5 kilogram packages next day anywhere in the UK. Included in the Post Office transport fleet are a number of aircraft in Datapost livery, which carry Datapost packages to and from Glasgow / Aberdeen / Belfast / Cardiff / Bristol / Manchester / Liverpool/Luton.

Overall, the demand in the UK express parcels market still appears to be predominantly for overnight deliveries, although there has been a growth in services which are both faster—that is *same-day—and slower.*

One of the companies well placed to observe the general development of the market is Securicor which started a parcels service some 15 years ago to carry data between banks and computer centres. The company now also carries stock data to and from computer centres for high street stores and manufacturers, plus increasingly large volumes of parcels containing spare parts, records/cassettes/films, sports equipment, medical supplies and other products.

To cater for these traffics, the company offers a two-tier next day delivery service with collection of parcels and delivery either first thing the next day or some time during that day. Parcels are limited to 25 kilos in weight per item.

The company also has what it calls a "2/50" service, offering collection and delivery of parcels normally within two working days for items up to 50 kilos each.

"Currently, next-day delivery still forms the major part of the market although there is a steady demand for a slightly slower, slightly cheaper service and a developing demand for same-day deliveries," said Securicor's marketing director, James Foord.

Greater demand

For the future, added Mr Foord, there would be greater demand for same-day services, although the main demand would continue to be for overnight next-day delivery, both within the UK and the near Continent.

Securicor believes that customers want a simple next-day service, hence the company's two-tier delivery scheduling. Other express service operators take a different view and offer a much wider range of delivery times.

The TNT Overnite operation for instance, includes a next-day service with options for delivery before 9.00 am, before 10.30 and midday. That is backed up by a Tristar service offering 2-3 day delivery anywhere in the UK.

According to Mr Wayne Denton, director and general manager UK for the TNT-IPEC organisation which covers international as well as domestic express operations, once companies have started using such services the demand is for more and more speed. Distribution both within the UK and internationally would get even faster, he claimed.

Lex Wilkinson, which like TNT bases its parcels operations on a central hub—a computerised and mechanised sorting centre at Nuneaton, *Warwickshire — also* offers various next-day services, including a guaranteed delivery *before 9.30 am on weekdays* and Saturdays, plus a guaranteed two-day service.

However, the most interesting recent development where Lex Wilkinson is concerned involves the establishment of a joint venture operation with Great Universal Stores to develop a home delivery service.

The service, known as Homeline, is being run by Lex Wilkinson and White Arrow, the home delivery service of GUS Transport. White Arrow has for some time been looking to use the experience of making household deliveries for the GUS group to develop third party traffic.

"Major high street retailers are offering the option of home delivery on certain of their product lines. Today's television set is soon to become tomorrow's shop window providing a consumer service that demands a low cost, high quality home delivery," said Mr John Abberley, managing director of GUS Transport.

The Homeline service caters for parcels of up to 25 kilos, with the majority of deliveries being made within three working days and all within five days. Current estimates envisage the service carrying at least 2m parcels a year within 12 months.

One distribution base favoured for EEC

International

PHILLIP HASTINGS

A CONTINUING move among multinational companies to *establish one major* distribution centre covering the whole of the EEC is encouraging the growth of international express freight services.

Combined with the factors which have generated demand for domestic parcels services within the UK — reduced stockholding, cash flow considerations, etc — the establishment of all-in-one distribution operations in the EEC and Europe as a whole has in particular speeded up the development of express services between the UK and the Continent.

"There is a growing realisation among multinational companies that to serve the countries of Europe it is not *necessary to hold stocks in each* country. Using express services, for instance, it is possible to *establish one stockholding* point in Europe and supply other countries from there," *claimed Mr Wayne Denton the* director and general manager UK for express services *operator TNT-IPEC.*

The concept of using one distribution base to serve a wide area of Europe is not totally new and certain continental forwarding organisations have been involved in such operations for some time. Where TNT-IPEC is different, argues Mr Denton, is the fact that it operates scheduled daily services throughout the UK/continent using its own organisation.

Taking the concept one stage further, the company is now looking at the idea of suppliers in the U.S., for instance, sending their goods into any major airport in Europe at which point they are fed direct into the TNT-IPEC system for distribution within Europe.

Until the late 1970s the vast majority of urgent freight consignments moving between the UK and the continent in the hands of third party companies went by air. Express road services existed but it was really the advent of IPEC, dubbed the "Yellow peril" after the livery colour of its vehicles, and its aggressive marketing efforts which lit the touch paper for the explosion of overnight and 48-hour road services between the UK and the rest of Europe.

IPEC, acquired by TNT in 1983, particularly set out to challenge airfreight services covering the same market, claiming that in terms of door-to-door transit, road vehicles could equal and often beat air services at lower rates.

The subsequent "Road versus Air" debate and rapid development of a wide range of other road express services in turn provoked the airlines into fighting back with new operations of their own.

Pioneers in the field were British Airways and the German carier Lufthansa which set up their own express services between the UK and Germany in 1982. Both have subsequently expanded their range of services.

The BA service operated in conjunction with same-day parcels specialist City Link Transport which provides the UK domestic collection and delivery, is called Speedbird Express. Within the past few months the *service has been expanded still* further to include door-to-door delivery for small parcels and documents between the UK *and* anywhere in the U.S. within 72 hours.

"*Price for a one-kilo package* is £45 fully inclusive, regardless of where it starts or ends its journey. A 10-kilo package will cost £78," according to BA.

In addition to the U.S., Speedbird Express now covers Canada, Hong Kong, Singapore and much of Europe, the Middle East and Africa.

Similarly, Lufthansa has been expanding its equivalent service, C+ D Airfreight System, operated in partnership with forwarding organisation Schenker. Some 20 countries in Europe and overseas are now covered, with others including Japan, Spain and South Africa in the pipeline.

"Delivery time to European destinations was originally put at 48 hours but today *it is often* considerably shorter. Consistent systematic processing of the transportation procedure means that 50 per cent of deliveries are in transit only 24 hours or less," *claims* Lufthansa.

The objective

Between them, Lufthansa and BA have for obvious reasons been able to develop a growing share of the UK/German express freight market in particular. Overall, though, they and other airlines still have a long way to go before they can claim a major share of all European and international express freight traffic.

The objective for BA now, says the cargo executive responsible for Speedbird Express, David Paterson, is to build up its network of stations served. The more countries which are included in the service, he argues, the more interest is generated among customers in established centres as well as the new ones.

"Our aim over the next 18 months or so is to build up the Speedbird Express network so that all the points are interconnected, based on a UK hub," he adds. BA can already provide an express airfreight service from South Arica to 16 countries in Europe, four in the Middle East and two in the Far East.

Other major European airlines are also increasing their involvement in the express freight field. Scandinavian Airlines System (SAS), for instance recently upgraded its Priority Overnight airport-to-airport freight service linking the UK and North Continent with Scandinavia to include a door-to-door facility.

Using its DC9 weeknight *freighter network,* SAS is running the service in both directions between four European airports — *London,* Amsterdam, Frankfurt and Paris—and a range of airports in Sweden, Norway and Denmark. There is no restriction on consignment weights other than *those imposed by the capacity* of the aircraft.

Customers can telephone SAS before 1500 any afternoon, Monday to Friday, and be guaranteed delivery by 1200 the *following* working day, subject to customs clearance.

Initially, UK collection and delivery, which will be handled by Inter-City Couriers, will be confined to London and surrounding districts, although by early this year it is planned to include the Birmingham area, with delivery by 1400 hours.

Latest of the major European airlines to enter the express freight fray is Air France which in November launched its own airport-to-airport service on all its direct international flights to and from France.

Air France Express, as the *service is known,* caters for individual parcels of up to 15 kilos and total *consignments* of up to 100 kilos. Parcels can be delivered to the airport up to 90 minutes before a chosen *flight* and are made available to the consignee for clearance 90 minutes or less after the *arrival of the flight.*

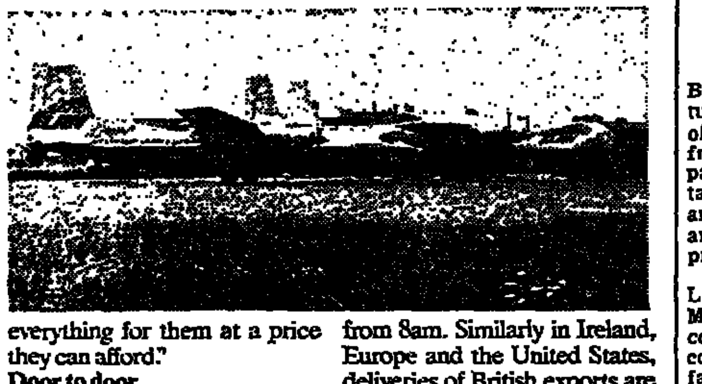
As far as the UK is concerned, the service is available *on flights* from London to nine destinations in France, plus flights between Manchester and Paris. According to Air France cargo executives, the main inspiration for development of the *new service* is a desire to halt a decline in the carrier's small parcels traffic, put at around 7 per cent a year over the last few years.

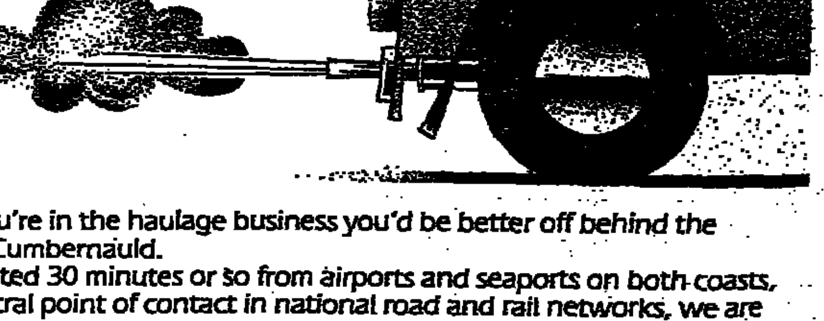
Smaller airlines, too, have recognised the need to speed up their freight operations to compete wiht road-based services. Irish national carrier Aer Lingus, for example, has over the past few months established an express airfreight handling facility on six selected flights each day between London and Dublin.

On three flights in each direction, the normal acceptance time for cargo has been reduced to just one hour before scheduled departure times, with the freight being made available for collection at the other end two hours after arrival, subject to customs clearance.

While Aer Lingus, British Airways and Lufthansa have been looking to build up express freight business within Europe and overseas on the back of established air services, other companies have actually set up their own aircraft operations.

Parcels specialist Securicor, for instance, has been developing a "Eurosprint" service for urgently required consignments using a Dart Herald aircraft to link the UK with the Continent, providing a 48-hour service to Belgium, Luxembourg, Holland, northern Germany and northern France.





Obstacles at the frontier

EEC transport policy

PHILLIP HASTINGS

AFTER MORE than 25 years of existence, the EEC should in theory by now be one part of the world where international distribution of goods between member states has become a straightforward and speedy operation.

In fact, however, the theory is still a long way from becoming reality, with political wrangling and inactivity combining to create endless obstacles for distribution activities within the Community.

That situation was graphically illustrated last year by two very different but nevertheless related events—blockades by frustrated lorry drivers protesting at frontier crossing delays and the taking to court of the EEC Council of Ministers for *failing to introduce* a common transport policy.

Then, as if to emphasise once again the continuing impact on distribution operations of a wide range of political decisions, came a third development to cause problems for anyone involved in the distribution of imports in the UK.

The development concerned involved the introduction in the UK on November 1 of a new system for the collection of VAT on imports. Announced in last year's budget, the change was originally due to have come into effect on October 1 but was postponed for a month to allow more time for importers, freight forwarders and others to gear up for the new system.

Effectively, the new set-up *did away with the previously* established Postponed Accounting System (PAS) for payment of VAT. From November 1, importers and forwarders faced demands from customs for immediate cash payment unless duty deferment facilities had been arranged.

To obtain such deferment facilities, importers or forwarders have had to obtain suitable guarantees from banks or insurance companies amounting to twice their monthly VAT/duty payment levels.

However, recent reports suggest many companies are in fact suffering considerable difficulties in monitoring their VAT deferment arrangements.

"It is evident that deferment statements are arriving much later than originally promised by Customs and Excise, and as a consequence this has resulted in problems with the identification of individual consignments, since no importers' reference number is accommodated on the document," said the Freight Transport Association.

"Because of the identification difficulties, importers find that they do not have appropriate evidence for considerable deductions of input tax. As a consequence they are unable to make an appropriate input claim and are unfairly funding tax collection."

According to trade bodies such as the FTA and the Institute of Freight Forwarders, abolition of PAS could also still lead to some delays on the clearance of freight coming into the UK.

New problems

According to the FTA, whereever there was a payment to be *made to customs*, whether it be for customs duty, VAT or anything else, documents and goods were likely to be examined much more closely than would have been the case if the goods were free of all charges.

Increased checks on goods for VAT collection purposes could particularly affect imports from other EEC countries where *until now it has simply been* necessary to enter an importer's VAT number on the customs entry, with the tax being accounted for in the next return without actually being paid.

One spin-off development from the changed VAT collection system and the feared hold-ups in clearance of imports through ports could be the greater use of inland clearance depots in the UK.

While importers wrestle with new problems in connection with the distribution of goods coming into the UK, exporters are continuing to battle against delays in the movement of goods to other countries.

In the case of the EEC, this battle should theoretically have been won long before now with goods flowing freely throughout the Community. However, as the blockades imposed last year by French lorry drivers in protest over delays at entry points into Italy clearly illustrated, many problems still exist.

Typical set of documents needed by articulated vehicle driver on journey from London to Paris:
GOODS
Community Transit form T2
Customs export entry C273
Transit advice note C1128
Invoices
VEHICLES
Road haulage permit
Original registration document of tractor
Carnet de Passage for trailer
Authority to drive vehicle from employer
DRIVERS
Full passport
Driving licences

In fact, according to the UN Economic Commission for Europe (UNECE), delays to the free movement of international trucking in Europe are costing industry and shippers something like $14bn annually.

Taking up the issue last year, the International Road Transport Union (IRU) appealed to the French and Italian governments, as well as various EEC bodies, to speed up moves to abolish frontier hold-ups. In a paper on the subject of major problems affecting road transport in Europe, the IRU said these included:

- Lack of harmonisation of national legislation.
- Different opening hours of frontier posts in neighbouring countries.
- Work-to-rule and strike action by customs officials.
- Shortages of personnel at peak traffic periods.
- General lack of information.
- Quota restrictions for road transport in order to encourage rail transport.

The IRU is far from being the only organisation unhappy about EEC progress on transport and distribution matters.

In an unprecedented move, the European Parliament last summer took the EEC's legislative body, the Council of Ministers, to court for allegedly violating the Treaty of Rome by failing to introduce a common transport policy. The case *is being considered by the* European Court of Justice, with a decision expected early this year.

Basically, the European Parliament claimed that after more than 25 years' existence, the Community had yet to complete its tasks in respect of a common policy in the sphere of transport.

The Council of Ministers for their part submitted that neither the content nor timing of transport policy was sufficiently defined to allow allegations of default. The Council also alleged that the European Parliament had no legal right to bring the action and was simply trying to gain more influence over the Community's decision-making process.

Just to complicate matters, the Council also attacked the EEC Commission on the grounds that the latter body was slow to produce legislation which in any case was not always thoroughly prepared and there*fore in many cases withdrawn* before the Council could act on it.

Hitting back, the Commission claimed it tried to produce proposals in line with ministers' wishes but the Council often took so long to act that legislation was overtaken by events.

However, some moves to ease frontier difficulties are now well on their way through the EEC legislative pipeline. A directive adopted by the EEC Council of Ministers and due to come into effect this month, calls for Community customs authorities to introduce standardised working practices for frontier facilitation.

A proposal

Longer term, the European Commission has put forward a proposal for replacing current import and export entry forms and Community Transit forms (see table) with one document to be known as the Single Administrative Document (SAD). According to the UK Simplification of International Trade Procedures Board (SITPRO), which has been very involved in the development of the document, the SAD could come into use by 1987.

"The SAD would not only be important because of its efficency and economy but also because in carrying agreed and rationalised information it paves the way for computerisation, the key in the longer term to further cost saving for traders," said SITPRO.

Overall, in fact, international distribution operations, even within the EEC, are swamped with rules and regulations of various sorts. There is a long way to go before the only document needed to move goods from the UK to other EEC states is a delivery note.

Battle looms over heavy lorry bans

Lobby groups

ALASTAIR GUILD

THE MAJOR protagonists in the freight debate are agreed on one thing at least. The GLC lorry ban, should it come into force as planned, will have major repercussions on the distribution of goods in and around London, and possibly nationally. There agreement ends, however. The Freight Transport Association and the Road Haulage Association fear, while Transport 2000 would welcome *the extension of such a ban to* other major cities in the UK.

"It is not our policy that goods vehicles should have a totally free run of our road system," explains Mr David Green of the FTA. "But given that industry has to run lorries, how do you minimise the problems caused?"

"We agree with the Civic Trust in urging the building of *more by-passes, for example. If* a driver drives through a village centre, it is only because he has no choice. All of the 2,500 lorry restrictions introduced in the past few years have cost trade and industry millions every year. The cost of the Windsor cordon alone is over £500,000 each year. Yet of those 2,500 the FTA has objected to only 10 per cent.

"We are not against lorry bans in principle, if they can be shown to give an overall benefit to the environment at a reasonable cost to industry. That is a very fine balance. We get the environment we can afford, and we cannot probably afford the same environment as we could before. We don't deny there are some problems in London, but the answer is to get the M25 completed. This will take 50 per cent of night time traffic away from central London."

The M25 should take through traffic away from London, acknowledges Transport 2000. But without restrictions there is a *risk that a considerable proportion* will continue through the metropolitan area. "The M25 is, in addition, attracting industry onto green field sites," says the pressure group's director, Ms Susan Hoyle. "This aggravates the effects of heavy lorries, because London still has to be supplied, but from further away and, on the whole, with heavier lorries.

"The ban will provide environmental benefits and also boost London-based industries serving London. Even though there might be, in total, more lorries, there would be less congestion because they would be smaller."

Ms Hoyle also points to the conclusions of the Wood report which examined the likely effects of a range of lorry bans on London. The effect of a permanent lorry ban on prices would be small, it said. Even an 8-tonne lorry ban would, at the extreme, add 1 per cent to prices, a 16-tonne ban ½ per cent and a 24-tonne ban ¼ per cent.

The FTA, in opposing Transport 2000, quotas calculations based on GLC Freight Unit estimates for the Greater London area. These suggest that the overall effect in London of a ban on lorries over 16 tonnes would be to increase the total number of lorries in London from around 90,000 to 160,000—another 71,000 lorries after de*ducting the number of heavier* lorries removed by the ban. These extra lorries would, the association points out, need another 2,480km of road space, and consume an extra 83.4m gallons of fuel.

Far from encouraging industry back into London, a ban would damage the industry already there, it believes. It has advised companies throughout London to study the map issued by the GLC and establish whether or not they are on an "excluded route." "If they are not," comments Mr Green, "they will be marooned during the restricted hours."

These are some of the fears shared by a group of major high street chains. The group, including Sainsburys, with a depot in Charlton in East London, *and Marks & Spencers*, called recently for a public inquiry into the ban.

At an international level, the EEC has been another source of irritation for the FTA. From Brussels has come the tachograph — thought by many hauliers to be unevenly enforced across Europe—and a reduction in drivers' hours from 10 to 8 hours, but with*out the 40 tonne weight limit* the FTA and RHA had hoped for under the EEC's harmonisation proposals.

The FTA and the RHA both welcome EEC proposals to ease the cross-frontier movement of freight by increasing the number of Community permits for 1985 by 30 per cent and by 15 per cent in each succeeding year. "An estimated 90 per cent of freight traffic within the Common Market is covered at present by traditional bilateral agreements between countries, whereas EEC permits cover only 10 per cent," says Mr Green.

"A dramatic increase in permits issued might decrease reliance on bilateral agreements which are, after all, against the spirit of the Treaty of Rome. However, it seems that Germany and France may well veto the liberalisation of permits because their transport networks are much more rail-oriented."

This is precisely the direction in which UK transport policy should be going according to Ms Hoyle. Transport 2000 commissioned a study from independent consultants, Transport and Environment Studies. BR: A European Railway recommended "a positive attempt by BR to win back freight from the roads." Published after the Serpell report, it concluded that BR has fewer freight private sidings than other European railways, and less emphasis on wagon-load traffic.

Britain, said the report, is also out of step in the average length of haul of road and rail: in all the European countries looked at, rail hauls are 3 or 4 times longer than road hauls, while *in the UK the difference is well* under one and a half times.

BR's system of computer location of freight has been very successful, and could be used to expand the wagon-load market which BR has not encouraged for some years

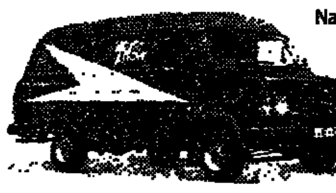
The RHA chooses instead to make its comparisons of expenditure on motorway networks. The UK, it says, compares un*favourably with other European* countries. In 1982, for instance, the UK network extended over 2,666 km compared to West Germany's 7,919 and France's 5,907.

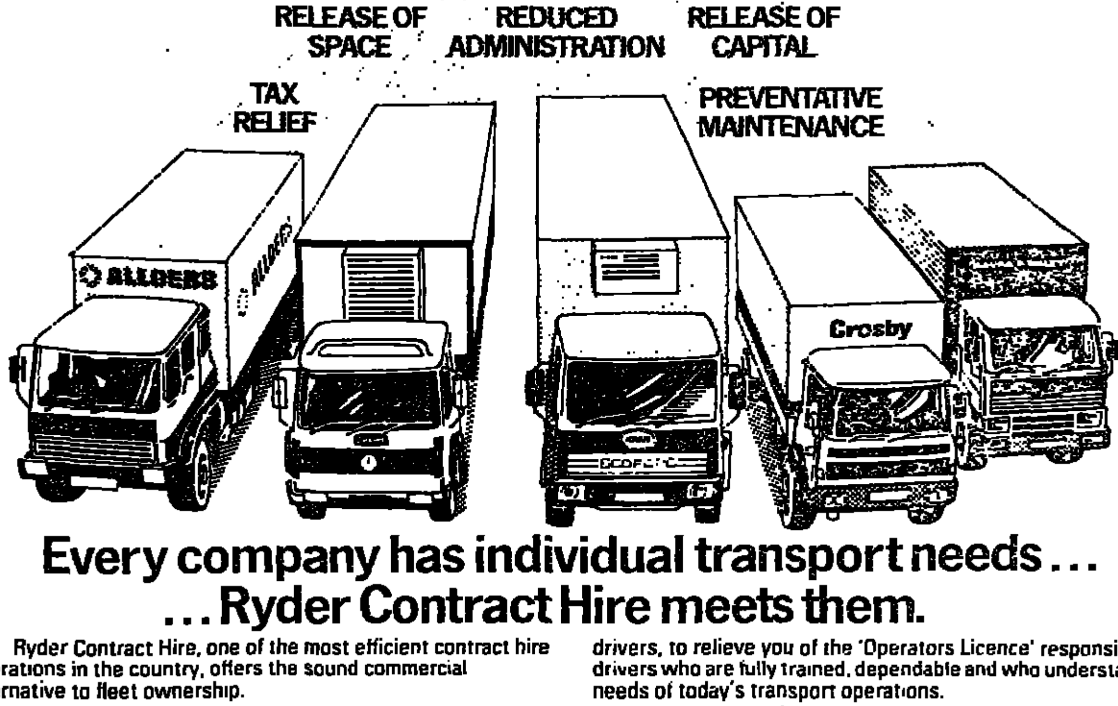
Ms Hoyle admits that some sectors of industry have to send their goods by road. For the food industry, for example, security of supply is all important and that could not necessarily be *guaranteed by rail or* waterway. However, in general, she says, "the rules of the game are unfairly weighted in favour of road transport. Government road track costs totally ignore repairs to bridges, underground services or pollution caused by heavy lorries."

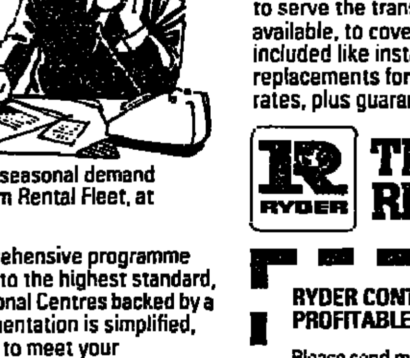
According to the FTA, heavy lorries more than pay their way through track costs. A contribu*tion—more than £500m over and* above track costs—is also made by heavy lorries through excise and fuel duty.

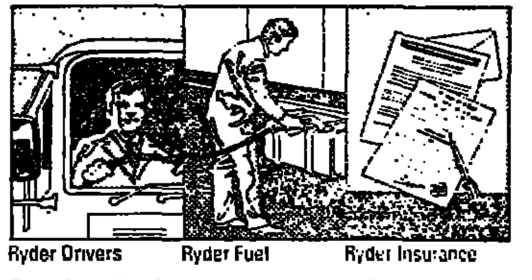
Transport 2000 argues that if road hauliers were made to pay more heavily for the damage caused by lorries, this would encourage greater improvements in trunking operations in general and minimize empty running. "A high proportion of lorries are operating inefficiently," says Ms Hoyle. "Load factors have fallen from two thirds in the mid-1960s to 50 per cent now, so that more tonne miles are now being done for fewer tonnes carried."

Pressure on haulage rates from industrial and commercial customers of road haulage is forcing many long-established professional hauliers out of business, according to the RHA. These are being replaced by enthusiastic but inexperienced "fringe operators." Can British industry afford to accept a system under which its goods are increasingly being carried on spec by a rag-bag of fringe or cowboy operators, it asks?









LTV moves closer to joint deal with Sumitomo Metal

BY PAUL TAYLOR IN NEW YORK

LTV, the second largest U.S. steelmaking group, and Sumitomo Metal Industries, Japan's third largest steelmaker, have reached a preliminary agreement covering a joint venture in the U.S. to produce electrolytically galvanised flat-rolled steel for the U.S. motor industry.

The two companies said the cost of the project would be "in excess of $125m."

The new joint-venture partnership, originally announced in November last year, will be called L-S Electro-galvanising. It will be based in Cleveland and will be 60 per cent owned by LTV and 40 per cent by Sumitomo.

The project, which is subject to a definitive agreement and board approval, will be financed by the Mitsui banking group.

The project is the latest in a series of U.S. joint ventures involving U.S. and Japanese steelmakers – including Nippon Kokan's bid last year for half of National Steel. The deals have brought together advanced Japanese steelmaking technology and access to the U.S. market afforded by a U.S. partner.

It is also the latest in a string of projects announced recently by the major U.S. steelmakers to produce rust-resistant sheet steel using advanced electrogalvanising technology which is ideally suited to the needs of the motor industry.

LTV said that the project, which is due to be in full production in the spring of next year, will be jointly managed by representatives of the two companies.

It will employ technology used at Sumitomo's Kashima works in Japan and produce about 500,000 tons of annealed and tempered steel, using cold-rolled steel from LTV's existing Cleveland plant and a fully automated process line.

Mr David Hoag, president and chief executive of LTV Steel, the group's steelmaking unit, who will also serve as chief executive of the new joint venture, said: "The formation of this partnership underscores our long-standing commitment to serve the needs of the automotive industry."

Mr Raymond Hay, LTV's chairman and chief executive, added that the proposed partnership was consistent with LTV's strategic plan to implement the most advanced technology available.

Profits plunge at Levi Strauss

By Our Financial Staff

LEVI STRAUSS, the U.S. blue jeans producers, plunged to almost breakeven in the final quarter of the year to November 25.

Net profit for the three months was down from $51.6m, or $1.22 a share to $1.68m, or five cents, on sales 14.7 per cent lower at $601m, against $705m.

This left full year earnings sharply down at $41.4m or $1.07 from $194.5m or $4.61, on sales of $2.51bn, against $2.73bn.

The company said the fourth quarter performance was hit by higher production costs, proportionately greater sales of less profitable items, markdowns on slow-moving lines, and competitive pressure on margins.

For the full year there was also a $75m non-recurring charge, which included the cost of closing 20 manufacturing facilities, shedding 5,000 jobs, and sponsorship and advertising expenses for the Olympics.

Domestic orders were ahead in December on a year ago, particularly for jeans. The company added that the unshipped order position had improved since November, though it was still significantly

Holiday Inns may make tender offer

By Our Financial Staff

HOLIDAY INNS, the world's largest hotel business, is considering spending up to $490m on a "Dutch auction" tender offer for as much as 10m or 27 per cent of its outstanding shares.

The company said the aim was to counter "unusual activity" in its shares.

Under the plan, Holiday Inns would buy at least 8m shares at $46 each and consider buying an additional 2m at up to $49.

The actual prices paid, however, will be decided at the time of the tender, and will be based on the number of shares tendered.

On Tuesday in heavy early trading the stock was $2¾ higher at $46¾ on news of the possible tender offer.

$300m IBM issue as bond rush continues

BY MAGGIE URRY

ANOTHER frantic day of new issues in the Eurobond market was capped late yesterday when IBM launched a $300m deal, lead managed by Salomon Brothers.

The bonds have an initial four-year life and 10⅝ per cent coupon but they can be extended up to 15 years with a new coupon. Investors who do not fancy the new terms can exercise a put option, and there is a call option in year four at 101.

The bonds were bid at 99¼, inside the 1⅜ per cent selling concession, at which level the yield is around 40 basis points below similarly dated U.S. Treasury issues.

Co-leads are Credit Suisse First Boston and Morgan Guaranty.

Earlier in the day, Industrial Bank of Japan demonstrated yet again that a Japanese borrower can command finer terms than even the likes of IBM and still find buyers. IBJ's two-tranche issue, totaling $200m in equal seven- and 10-year portions, had coupons of 10⅝ per cent and 10¾ per cent respectively. Both issues traded wel inside their fees at around 99⅜ compared with par issue prices, giving yields of around 85 basis points below U.S. Treasury issues. Monday's issues from Nippon Telegraph and Telephone and Orient Finance both continued to trade well.

Morgan Stanley, with Merrill Lynch as co-lead, brought a $150m issue for Tenneco, the U.S. energy and engineering group, with a four-year life and a 11½ per cent coupon. This was regarded as realistic pricing and the deal traded within its 1⅞ per cent fees.

Two more equity-linker Japanese bonds appeared following Tokyu Corporation's issue on Monday. Nomura International brought a $20m five-year issue for Osaka Transformer, which is guaranteed by Sumitomo Bank. The expected coupon on the bonds is 8¼ per cent and the accompanying equity warrants will get investors into shares at about a 2½ per cent premium.

Daiwa Europe launched a similar $30m issue with equity warrants for Yamato Kogyo, the steel company. It too has a five-year life and an indicated 8¼ per cent coupon.

The action in the primary market kept secondary trading active yesterday, with Eurodollar bond prices up around ¼ point. The recent Prudential issues continued to meet demand.

The Euroyen market had two fresh issues to contend with, doing little to ease the oversupply problem. A Y20bn issue for Electricite de France, guaranteed by the French Republic, got off to a reasonable start but drifted lower later. The 10-year bonds have a 6⅞ per cent coupon and par issue price offering a higher yield than Japanese government bonds. At the close the bonds were bid just inside the 2 per cent total fees. Lead manager is IBJ International with Daiwa Europe running the books.

The World Bank has raised SwFr 500m through a five-year credit syndicated among major Swiss and foreign banks in Switzerland and Liechtenstein, writes Peter Montagnon.

The loan, which bears a fixed rate of interest of 6¼ per cent was led by Credit Suisse alongside Union Bank of Switzerland and Swiss Bank Corporation.

The proceeds were swapped into dollars at well below London interbank offered rate, showing why borrowers are attracted to this market.

Citicorp International Bank won the distinction of being only the second non-Japanese book runner on a Euroyen deal, bringing Intel to the market for Y12.5bn. This is the first Eurobond issue for Intel, integrated circuit manufacturer in which IBM has a 20 per cent stake.

The seven-year bonds had a 6⅝ per cent coupon and 99¼ issue price. Dealers regarded these terms as too tight, however, and the issue traded either side of its 1⅞ per cent fees.

In the D-mark bond market, trading remained quiet, though prices gained ⅛ to ¼ point yesterday.

Deutsche Bank launched a DM 150m issue for City of Copenhagen with an eight-year average life and 1995 final maturity. The coupon was fixed at 7⅜ per cent and issue price at par. The issue traded around 99, inside the 1½ per cent selling concession.

In the Swiss franc bond market, UBS launched a public issue for Oesterreichische Donaukraftwerke with an Austrian guarantee. The 10-year issue will total up to SwFr 150m with an indicated coupon of just below 5¼ per cent.

UBS also announced a SwFr 150m private placement for Mitsubishi Rayon with a five-year life. The bonds will be convertible into shares and have an indicated 2 per cent coupon.

Banque Paribas (Suisse) is making a SwFr 50m private placement for Japan Electronic Computer with a five-year life and 5½ per cent coupon.

Swiss franc bonds were up around ½ point yesterday in better turnover.

EIB launched a LuxFr 1bn issue, lead managed by BGL. The bonds have an eight-year average life and a 9¼ per cent coupon. Fees total 1⅞ per cent.

Strong demand for the two-tranche European currency unit issue from BFCE has allowed each tranche to be increased by Ecu 25m to Ecu 100m for the seven-year portion and Ecu 75m for the 10-year part. The bonds were still bid above par after the increase.

S & P lowers Union Carbide credit ratings

By Our Financial Staff

STANDARD & POOR'S, the U.S. credit rating agency, yesterday lowered its ratings on Union Carbide's debt in the wake of the tragedy at the company's Bhopal plant in India late last year.

S & P had placed the company on credit watch in December following the accident which left moret han 2,000 dead. The agency has now reduced Carbide's senior debt to triple-B plus from single-A, subordinated debt from single-A minus to triple-B and commercial paper to A-2 from A-1.

S & P said that even if no Carbide funds were used to compensate victims of the accident, the adjustments were necessary to reflect more constrained access to capital markets during a period of uncertainty and the diversion of management time to fight lawsuits.

Europe plugs into MCI mail

By Paul Cheeseright in Brussels

BELGIUM became a communications centre in a new sense yesterday when the Post Office and MCI International, a unit of MCI Communications of the U.S., had their first full day of working a new electronic mail centre.

The joint venture was fostered by MCI, which has been seeking a wider international role since the U.S. authorities clipped the wings of AT&T as the main provider of telecommunications from the U.S.

The venture is a logical extension of MCI's electronic mail service in the U.S. which started in 1983 and should come into profit this year for the first time. In the U.S., MCI has about 175,000 electronic mail customers.

The company estimates the world market at $2bn a year and growing at the rate of 30-50 per cent a year. The Belgian venture, designed as the centre of a worldwide network, thus throws MCI into competition not only with the U.S. Post Office but with specialised couriers like DHL and Federal Express.

The essence of the scheme is that any U.S. subscriber to MCI services can send documents electronically into the MCI network. MCI will funnel the documents through its New York communications centre to the distribution point in Brussels.

That process takes about a minute from the time the document is completed by the sender. Depending on the sender's instructions, the documents will then be placed in the ordinary mail system through the Belgian Post Office, or sent by courier to their destination.

Brussels is becoming the MCI distribution point for everywhere outside the U.S. and Latin America.

MCI's main investment in the project was not the centre in Brussels, which cost less than $1m, but the spending of $60m in 1983 in the U.S. to set up its initial electronic mail system. The two investments are kept separate for accounting purposes and MCI believes the new international service will become profitable in about the ninth month of operation.

Between 80,000-100,000 transactions will pay for the start up costs, according to MCI executives. Expected traffic in the first year is up to 200,000 messages.

The collaboration with the Belgian Post Office is part of the wider MCI policy of developing relations with the public authorities of each country to which it wishes to provide a service.

The Belgian Post Office was apparently more receptive to MCI's ideas than its European counterparts and MCI has a touching faith in its efficiency—which is not shared by local users of its services.

Beyond that, the presence in Belgium of some 400 U.S. corporations provided a natural base for the expansion of an essentially American service. Other countries are in any case "more protective" according to Mr V. Orville Wright, the MCI president.

The service, however, will neither make nor break MCI. The staple of its business and likely to remain so for the foreseeable future is the telephone.

In the U.S., MCI has some 5 per cent of the long distance telephone business, compared with 90 per cent held by AT&T, executives noted. Outside the U.S., MCI is providing direct services to Belgium and the UK in Western Europe and is starting test transmissions to France.

But the key market in Western Europe is Germany. That is followed in MCI eyes by Switzerland. In neither case has the company been able to negotiate access. Western Europe, though, accounts for 60 per cent of all U.S. telephone demand outside Canada and Mexico.

U.S. airline files for Chapter 11

BY TERRY BYLAND IN NEW YORK

NORTHEASTERN International Airways, the privately-held Florida-based airline, yesterday filed for protection from creditors under Chapter 11 of the Federal bankruptcy code, amid some confusion as to whether the airline was still operating.

The company's telephones had been "disconnected," according to a recorded message at the Fort Lauderdale headquarters. The Federal Aviation Administration said that Northeastern, in filing under Chapter 11, had said it would continue to operate three Boeing 727 aircraft. The agency is stepping up its surveillance of the company so as to ensure that "financial problems do not affect the safety of operations,' according to Mr Jack Barker, an executive of FAA.

Northeastern, founded in 1982 by Mr Stephen L. Quinto, the current president, operated discount priced flights between major U.S. cities, and was the 18th largest U.S. airline. Sir Freddie Laker, whose Laker Airways pioneered cutprice transatlantic flights before collapsing in 1982, joined the board of Northeastern in 1983.

While the announcement of Northeastern's problems was unexpected, industry analysts were not surprised by this further evidence of strains inside the domestic airline industry. "This is the thirteenth Chapter 11 filing by a jet-equipped airline since deregulation, and it won't be the last," said one Wall Street expert.

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market.

Closing prices on January 8

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex Credit 12¾ 88 ...	150	102⅞	103⅜	+0⅛	+0¼	11.52
Austrian Rep. 13⅜ 92...	100	102⅞	103⅜	+0⅛	+0¼	11.62
Bank of Tokyo 12⅝ 92...	100	110⅛	110⅞	+0⅛	0	11.40
Bank of Tokyo 13⅝ 91	100	99⅞	100⅜	+0¼	−0⅛	12.59
Caisse Nat. Tel. 13¾ 91	100	107½	108	+0¼	−0¼	11.80
Canadian Pac. 12½ 99	75	107⅞	108⅜	+0⅛	+0¼	11.84
Chevron USA 12¼ 89...	800	103⅜	104⅛	+0⅛	+0⅛	11.89
Creditanstalt 13½ 91 ...	100	101⅛	101⅜	+0⅛	−0½	11.78
Denmark Kgdm. 13 91	100	103⅜	104⅛	+0⅛	−0⅛	12.15
Denmark Kgdm. 13¼ 91	100	104⅜	104⅞	+0⅛	+0⅛	11.88
Denmark 13⅞ 88 XW...	100	†105	105½	+0½	+0⅛	12.03
Denmark Kgdm. 14 91...	100	106⅛	106⅝	+0⅛	+0⅛	11.55
EIB 12½ 90	100	106⅜	106⅞	+0⅛	0	12.41
EIB 12⅞ 94	100	103⅜	104⅛	+0⅛	0	11.45
EIB 13 98	200	104⅝	105⅛	0	−0½	11.95
Ex-Im Bk Japan 13¼ 91	75	103⅞	104⅜	+0⅛	−0⅛	12.29
Export Dev. Cpn. 12 89	100	110⅛	110⅞	+0⅛	−0⅛	10.84
Exxon Cap. Cpn. 0 2004	1800	102⅛	102⅝	+0½	−0⅛	11.31
Florida Fed. Sv. 12⅛ 89	100	11½	12	−0⅛	−1⅛	11.39
Gnl. Mills 12 91 XW	100	†103	103½	+0⅛	0	11.34
IBM Credit Cpn. 11⅝ 87	200	†98⅜	98⅞	0	0	12.21
Ind. Bk. Japan 12⅞ 89	100	102⅜	102⅞	+0¼	−0⅜	10.54
Ind. Bk. Japan 13⅞ 91	125	104	104½	+0⅛	0	11.62
Int.-Am. D. Bk. 12⅜ 91	150	109⅝	110⅛	+0⅛	−0⅛	11.56
Japan Air Lines 13⅛ 94	180	102¼	102¾	+0¼	−0½	12.17
LTCB 12⅞ 91	100	†110⅜	111⅛	+0⅛	−0⅛	11.40
Macy Cr. Cpn. 11⅜ 95	100	103⅝	104⅛	+0⅛	−0⅜	11.96
Mellon Bank 13 87 ...	100	98	98½	+0⅛	0	12.05
Merrill Lynch 12⅜ 89 ...	100	103⅛	103⅝	+0⅛	+0⅛	11.32
Minnesota 11½ 87	100	102⅜	102⅞	+0⅜	−0⅛	11.95
Mitsubishi Cpn. 13⅜ 89	100	101⅛	101⅝	+0⅛	+0⅛	10.85
Montagu 13¼ 91	100	106⅞	107⅜	+0¼	−0⅛	11.13
Mrgn. Guaranty 12¼ 89	150	†104¼	104½	+0¼	0	12.18
Mrgn. Guaranty 12⅜ 89	150	101½	102	+0⅛	−0⅛	11.67
Nippon Cred. B. 13⅞ 89	100	102⅛	102⅝	+0⅛	−0⅛	11.66
North America 12⅞ 91...	100	106⅛	106⅝	+0⅛	−0⅛	11.87
Penney J. C. 12⅜ 91 ...	100	103⅞	104⅜	+0¼	−0½	11.92
Quebec Hydro. 11½ 92	100	†103⅛	103⅝	+0⅛	0	11.96
Quebec Prov. 12¼ 94...	150	†100¼	102	+0⅛	−0⅛	11.27
Ralston Purina 12⅜ 89	100	101½	102	+0¼	+0⅛	11.92
R. Bk. Can. 12¾ 92 XW	100	104	104½	+0¼	−0⅛	11.51
Saskatchewan 11⅞ 89...	100	†100½	101½	0	0	12.52
Sears O/S Fin. 11⅝ 91	150	101⅞	102⅜	+0½	0	11.26
S. Pac. O/S Fin. 12 92	100	102⅜	102⅞	+0⅞	+1	11.00
SNCF 12⅜ 92 XW	100	99⅛	99⅝	+0⅛	+0⅜	12.14
Statoil 12 88	100	102⅜	102⅞	+0⅛	+0¼	10.95
Statoil 13½ 89	100	107⅜	108⅛	+0⅛	−0⅛	11.11
Sumitomo Fin. 12⅜ 91	150	103¼	103¾	+0⅛	+0½	11.69
Sw. E. Cr. 12¾ 89 XW	100	103	103½	+0¼	−0¼	11.95
Sweden Kgdm. 11½ 89	200	99⅞	100⅜	+0¼	+0¼	11.45
Sweden Kgdm. 11⅜ 94	100	103⅝	104⅛	+0⅛	+0¼	11.04
Texaco Capital 12⅞ 87	300	99⅜	99⅞	+0¼	0	11.81
Texaco Capital 13½ 89	200	106⅝	106⅞	+0⅛	+0⅝	11.50
Toronto D. Bk. 12½ 88	100	†101⅛	101⅝	−0⅛	−0⅛	11.87
Walt Disney Pr. 12⅝ 87	150	103⅛	103⅝	+0½	+0⅛	10.95
Weyerhaeuser 12⅛ 87...	150	101⅝	102⅛	0	−0½	11.37
World Bank 12¾ 94 ...	150	102⅜	103⅛	+0¼	+0¼	11.71
World Bank 12⅞ 94 ...	200	104⅝	105⅛	+0⅛	0	11.95
Yasuda T. & F. 12⅜ 89	100	101	101½	+0¼	+0¼	11.94

Average price changes... on day +0⅛ on week −0⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amca Intl. 8⅝ 91	100	103⅛	104⅛	0	−0⅛	7.49
Asian Dev. Bank 8 94	200	103¼	104	+0⅛	+0⅛	7.45
Australia Comm. 7⅛ 96	600	100⅝	101⅛	−0⅛	−0⅛	7.13
Austria Republic 7⅝ 94	200	102⅞	103⅛	0	−0⅛	7.20
Baxter Travenol 7¼ 94	200	100⅞	101⅜	0	+0¼	7.06
Credit National 8½ 94 ..	200	103⅞	104⅜	0	−0¼	7.46
Degussa Int. Fin. 7½ 94	100	103⅜	104⅛	0	−0⅛	6.89
EEC 8 92	200	103¼	104	+0⅛	−0⅛	7.32
EIB 8 91	250	104¼	105	+0⅛	−0⅛	7.12
FSCOM 8 92	150	99⅝	100⅛	0	−0½	7.99
Ferrovie Dello St. 8 91	100	103	103⅜	0	+1⅛	7.30
Finland Rep. 7½ 91 ...	150	101⅝	102⅜	−0⅛	−0⅛	7.19
Gould Int. Fin. 7⅜ 91	100	101⅛	102¼	+0¼	+0¼	7.26
Int. Standard Ele. 7⅜ 90	100	104	104⅜	−0⅛	+0⅛	6.46
Ireland 8⅛ 92	150	102⅞	103⅛	+0¼	−0¼	7.61
Japan Fin. Corp. 7⅜ 91	100	102⅛	103½	0	+0⅛	7.00
Meqal Fin. 8¼ 94	150	103⅛	103⅞	+0¼	0	7.70
Mitsbshi. H. 3½ 89 WW	300	104⅛	105⅛	−0¼	−0⅛	2.34
Mitsbshi. H. 3½ 89 XW	300	90⅜	91⅛	0	+0¼	6.04
OKB 7½ 88	100	101	102	+0⅛	+0⅛	7.04
Pepsico O/S Fin 7¼ 94	250	102½	103⅛	0	−0⅛	6.81
Reynolds O/S F. 7⅜ 94	125	102⅛	102⅞	0	+0¼	7.11
Soc. Cent. Nuc. 7⅜ 94	100	98⅜	99⅛	0	0	7.50
Soc. Cent. Nuclear 8 91	100	102⅛	102⅞	0	−0½	7.48
Sth. Africa Rep. 8½ 91	200	104⅛	104⅞	+0⅛	+1	7.64
World Bank 7⅜ 89 ...	100	102½	103⅛	0	+0⅞	6.91
World Bank 8 94	200	104⅛	104⅞	+0⅛	−0⅛	7.30

Average price changes... On day 0 on week 0

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 6⅛ 98	100	†102½	102⅞	0	−0⅛	5.81
Asian Dev. Bank 6⅛ 94	100	†102½	102⅞	0	−0⅛	5.88
Con'sd. Foods 5⅜ 94...	200	†103⅜	103½	0	−0½	5.28
Credit Foncier 6 94 ...	120	†102½	102⅞	0	−0⅛	5.63
EIB 5⅞ 94	120	†101¼	101½	+0⅛	−0⅛	5.68
Electric Power 5⅜ 94 ...	100	†102½	102⅞	+0½	+1⅛	5.39
Euratom 6⅛ 94	90	†102	103	+0⅛	0	5.89
Eurofima 5⅜ 96	100	†101½	101⅞	+0⅛	+0½	5.06
FGH 5⅞ 92	110	†99½	99⅞	+0⅛	+0½	5.81
GO Int. 6⅜ 92	70	†102½	102⅞	0	+2⅜	6.29
Int. Am. Dv. Bk. 6¼ 94	120	†104	104⅜	+0½	+2	5.67
Japan Fin. Cpn. 5⅜ 92	100	†99⅜	100	0	+0⅛	5.84
Japan Highway 5⅜ 92...	150	†99	99⅛	0	+0½	5.52
Kansai Ele. Pwr. 6⅛ 92	100	†102½	102⅞	−0⅛	−0½	5.89
Manitoba Prov. 5⅜ 94...	100	†102½	102⅞	−0⅛	0	5.38
New Brunswick 5⅜ 94...	100	†103	103⅛	+0⅛	0	5.19
N. Zealand Gvt. 5⅜ 94	150	†101⅜	102	0	0	5.49
Quebec Hydro 5⅞ 94...	150	†102½	102⅞	−0½	−0⅛	5.51
Santos Finance 6 94..	130	†102	102⅛	+0⅛	+0⅛	5.71
Shikoku El. Pwr. 5⅞ 92	100	*†101⅜	102	+0½	+0⅛	5.56
State Bk. NSW 6¼ 94...	100	†101¼	101½	−0⅛	+1	5.56
Statsforetag 6 92	75	†101⅜	101½	−0⅛	+0⅛	5.78
Total 5⅞ 94	80	†102	102⅛	−1	+0⅛	5.58
Wang Lab. 4⅜ 89	200	†102⅛	103	+0½	−0⅜	4.48
World Bank 6⅛ 94 ...	200	†102½	102⅞	−0⅛	−0¼	6.76

Average price changes . On day 0 on week +0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 7⅝ 94	15	100⅞	101⅜	0	+0⅛	7.20
Eurofima 7⅛ 94	10	102¼	102⅝	+0⅛	+0½	7.01
Int.-Am. Dv. Bk. 7½ 94	15	101⅛	101⅜	0	−0⅛	7.29
New Zealand 7⅛ 90 ...	15	101⅜	101⅞	+0⅛	+0⅛	6.77
World Bank 7 94	20	99⅝	100⅛	0	−0⅛	6.99

Average price changes... On day 0 on week +0⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Chrysler Cred. 14 91 C$	50	†104⅜	104⅞	+0⅛	+0⅜	12.91
Dnmk. Kgdm. 13 89 C$	100	†102⅜	102¾	+0¼	+0⅞	12.24
EDC 11½ 89 C$	100	†98	98½	+0⅛	+0⅛	11.98
Fed. Busnss. 12½ 87 C$	50	†102	102½	0	0	11.43
Metro Toronto 13 94 C$	50	†105½	106	+0¼	0	11.95
TCPL 12⅜ 89 C$	75	†102¼	102¾	+0⅛	+0⅞	11.81
Trizec Corpn. 13 89 C$	50	†102	102½	+0⅛	+0⅜	12.31
Vienna City 13¾ 94 C$	82	†105¼	105¾	0	0	12.21
EIB 10⅝ 90 Ecu	50	†107⅞	108⅜	+0¼	+2⅞	8.87
EIB 11¼ 94 Ecu	50	†107¾	108¼	−0⅛	+0¾	9.96
III 11 89 Ecu	60	†107	107½	+0⅛	+2⅞	8.88
Aegon 8¼ 89 Fl	100	104⅛	104⅜	0	−0⅛	7.03
Algemene Bk. 7⅜ 89 Fl	150	103½	104	−0⅛	−0⅛	6.80
Dai-Ichi 8½ 89 Fl	50	103⅜	103⅞	+0⅛	+0⅜	7.52
Friesch-Gron 8⅜ 89 Fl...	50	103⅛	103⅜	−0⅛	+0⅛	7.36
New Zealand 8¼ 89 Fl	100	104¼	104¾	−0⅛	0	7.03
Charbnags. 13⅞ 85 FFr	400	102⅞	103⅜	+0⅛	+0⅛	10.74
Air Canada 11¼ 94 £...	40	100½	101	+0¼	−0⅛	11.09
BAT Int'l 10¾ 91 £	100	97	97½	+0⅛	−0⅛	11.34
CBS Inc. 10⅞ 94 £	40	95⅜	96⅛	+0⅛	−1⅛	11.59
Denmark 11⅞ 94 £	75	99⅝	100⅛	+0⅛	−1¼	11.97
EEC 11⅛ 94 £	50	99⅜	100⅛	+0⅛	−0½	11.37
Grand Met. 10⅞ 90 £...	50	95⅞	96⅜	+0¼	−0⅜	11.81
ICI Finance 8½ 99 £ ...	100	105½	106	+0⅛	+0¼	7.82
Ireland 11¾ 92 £	50	95⅝	96⅛	0	−1⅜	12.11
New Zealand 10⅝ 89 £	100	96⅜	96⅞	+0⅛	−0⅜	11.63
OKB 12¼ 91 £	30	103⅞	104⅜	+0⅛	+0⅛	11.28
Royal Trustco 12¼ 89 £	30	102¼	102¾	0	−1	11.50
United Tech. 11¾ 89 £	35	102⅞	103⅛	−0⅛	−1⅛	10.93
World Bank 10⅝ 89 £ ..	100	97⅛	97⅝	+0⅛	−0⅜	11.40
World Bank 10⅝ 89 £...	50	96⅞	97⅜	+0⅛	−0⅜	11.41
World Bank 11 94 £ ...	50	96⅞	97⅜	+0⅛	−0⅜	11.49
ECSC 10½ 94 LuxFr ...	100	†103¼	104¼	−0⅛	−0½	9.86
N. Lux. A. 10½ 92 LuxFr	600	†103¼	104¼	−0⅛	−0¼	9.76

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
BBL Int. 5 99	0⅛	100¼	100½	11/4	11.69	11.64
Bankamerica O/S 5¼ 96	0⅛	100⅜	100⅝	28/12	11⅝	11.58
Bank of Montreal 5 96	0⅛	100½	100⅝	28/1	10⅛	10.19
Bankers Trust 5¼ 96 ...	0⅛	100⅛	100½	13/2	9⅞	9.84
Barclays O/S In. 5 2004	0⅛	100⅛	100⅜	2/3	12.31	12.28
Belgium 5 2004	0⅛	100⅛	100⅜	11/4	13⅛	13.08
BFCE 5¼ 99	0⅛	100½	100⅝	13/3	12.19	12.11
BNP 5¼ 96 (July)	0⅛	100⅜	100½	21/1	12.94	12.89
Chase Man'tn 5¼ 2009	0⅛	99⅝	99⅞	5/3	9.56	9.59
Citic'p O/S 5¼ 96 Sep	0⅛	99⅝	99⅞	19/12	11.19	11.23
Credit Lyonnais 5¼ 96	0⅛	100½	100¾	11/4	11⅞	11.88
Dai-Ichi Kangyo 5¼ 98	0⅛	100⅛	100⅜	13/6	10.06	10.01
Dresdner Fin. 5¼ 89 ...	0	100⅛	100⅜	23/2	9.81	9.79
EDF 5¼ 99	0⅛	†100⅜	101⅛	23/2	12⅜	12.27
Ireland 5¼ 99	0³⁄₁₆	100½	100⅜	14/3	12⅜	12.30
Italy, Republic 5 94 ...	0⅛	100	100⅛	9/5	9.94	9.92
Lloyds Euro. 5 2004 ...	§0⅛	100⅛	100⅜	16/4	11½	11.47
Midland Int. Fin. 5 99	§0⅛	100⅛	100⅜	8/3	12⅛	12.34
Mt. Bk. Denmark 5¼ 99	‡0⅛	†100	100⅛	11/7	11⅞	11.86
Nat. West. Perp. 5 89	0⅛	100⅛	100⅞	13/5	10⅛	10.30
Queensland Coal 5⅛ 96	0¼	†100¼	101	9/5	10.06	9.98
Sweden Perp. 5¼ 85 ...	0⅛	100½	101	9/2	13⅛	13.15
Takugin 5¼ 94	§0⅛	100⅝	101⅛	15/3	12¼	12.13
Tokai 5¼ 99	0⅛	100½	101	12/12	12½	12.41
Toyo 5¼ 99	0⅛	100⅛	100⅝	14/12	12⅛	12.56

Average price changes... On day +0⅛ on week +0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 3 99	4/84	1053	94⅞	95⅝	+2⅝	3.98
Fanuc 3¼ 98	1/84	7032	142⅝	144⅛	+3⅞	0.89
Fujitsu 3 99	5/84	1320	97	98	+3½	11.09
Honda Motor 5⅛ 98 ...	6/83	884	130½	131½	+3	1.54
Konishiroku Ph. 4 98...	10/83	673	87⅞	88⅜	+1½	5.51
Marui 3½ 99	7/84	1162	86⅛	87⅛	−0⅛	3.49
Minebea Co. 5½ 98 ...	5/83	667	91½	92½	+2⅝	2.28
Mitsubishi Elec. 5⅜ 98	6/83	396	97⅛	98⅛	+2	2.48
Murata 3½ 99	2/84	2351	108	109	+4⅛	5.47
Murata 3½ 2000	7/84	2396	105⅛	106⅛	+4⅞	6.05
Nippon Oil Co. 3¼ 99...	3/84	1052	81⅛	82⅛	+2½	10.17
Nissan Motor 5⅜ 98 ...	4/83	700	90¼	91¼	+0½	10.82
OKI Elec. Ind. 3½ 99...	10/84	805	88⅛	89⅛	+2½	7.76
Orient Leasing 5⅜ 98...	6/83	2680	115⅛	116⅜	+2⅝	−0.92
Secom 3¼ 99	10/84	8434	85⅛	86⅛	+2⅛	5.29
Sekisui House 3 99 ...	6/84	612	85½	86½	+1½	0.49
Sumitomo Cpn. 2⅞ 99	5/84	583	94⅞	95⅞	+0⅛	−1.34
Takeda Rkn. 3⅜ 2000...	10/84	7663	89⅛	90⅛	+7⅛	14.78
Tokyo S'yo El. 3½ 89...	12/84	772	92	93	+3⅛	3.37
Yamanouchi Ph. 4 90...	10/83	1483	180⅛	181⅛	+16⅛	7.89
Nippon Oil 2⅝ 92 SwFr	3/84	1062	†106	108	+0⅛	19.57
Nippon Shin 2 92 SwFr	3/84	801	†97	97½	−0⅛	13.79
Settsu Ppr 2⅝ 92 SwFr	4/84	677	*†154½	156½	−4½	−4.74
Asics 5 92 DM	12/83	520	101⅞	102⅞	−0⅛	24.70
Sum Realty 6¼ 92 DM	2/83	365	187⅛	187⅞	−3⅛	−5.34

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

Hoogovens ends decade of losses with Fl 200m net

BY LAURA RAUN IN AMSTERDAM

HOOGOVENS, the Dutch steel group, has moved into the black for the first time in 10 years with a Fl 200m ($56m) net profit in 1984.

While earnings were in line with company expectations, Hoogovens' rebound into profitability — it lost Fl 38.4m in 1983 — is in sharp contrast to the continuing financial difficulties plaguing many other European steelmakers.

Hoogovens' successful cost-cutting efforts and product reorganisation have led the Netherlands to oppose any increase in European Community subsidies to steelmakers without further reductions in production.

Hoogovens attributed its turnround to economic recovery as well as corporate restructuring, which has notably widened *profit margins. The group* produced a record amount of crude steel in 1984, around 5.5m tonnes, or 30 per cent more than in the previous year.

Hoogovens also produces pig iron, rolled products and aluminium. Its total turnover in 1983 was Fl 6.05bn.

Mr Jan Hooglandt, the chairman, sounded a cautious note for 1985, underscoring that Hoogovens has little control over a number of adverse factors. But he added that the group could offer "satisfactory counterweights"

The Dutch Government is providing about Fl 1.2bn in assistance for Hoogovens' 1982-*85 investment programme total*ling Fl 3.2bn, of which Fl 1.06bn worth of projects were approved last year.

Capacity use at the group's steel plants improved to 80 per cent in the final quarter of 1984 from 67 per cent at the beginning of the year. Hoogovens said the results of its steel activities strongly improved in the year and accounted for more than half the year's net profit.

Radar starts major reshaping

BY DAVID HOUSEGO IN PARIS

RADAR, the large French supermarket group, is embarking on a substantial restructuring programme in an effort to break even by the end of next year.

The group, in which Galeries Lafalyette has a 22 per cent stake, ran up an operating loss last year of FFr 250m ($25.7m) on turnover of about FFr 8.5bn. The losses have largely swallowed up the FFr 350m gain that Radar realised on the sale of 15 hypermarkets in April.

M Daniel Lebard, the president, said the first package of measures would concern Radar's Societe Francaise des Supermarches subsidiary where the workforce would be cut by some 350.

SFS's central warehouse is to be shut and the 300 retail outlets that it owns will be managed by other subsidiaries within the group. SFS accounted for some FFr 70m of Radar's losses last year.

Radar has been particularly badly hit by the squeeze on retail margins following weak domestic consumption.

M Lebard declared as premature any idea that the group might sell any of its large Paris-based stores to Galeries Lafayette. Through its Paris-France subsidiary, Radar owns among others the Treis Quartiers store.

The group, which employs some 5,000 people, had hoped a year ago to surface from the financial difficulties which have dogged it in recent years.

Record profits for Dutch publisher

By Our Amsterdam Correspondent

VNU, the Dutch publishing group, will report a record profit of more than Fl 47m ($13m) for 1984, up one-third from the previous year, according to Mr J. L. Brentjens, the new chairman of the board.

He attributed the gain to both the economic upturn and VNU's efforts to streamline its operations, with nearly all divisions — including magazines, books and newspapers—contributing to the increase. A substantial part of the launching costs for VNU's subscription-TV venture were charged to 1984, Mr Brentjens added.

Cargo broker takes over Salen reefer contracts

BY DAVID BROWN IN STOCKHOLM

SRS REEFER, the Swedish refrigerated cargo brokerage group, has taken over virtually all contracts previously held by the reefer unit of Saléninvest, the shipping group which went bankrupt late last year.

Reefer, which was established by Gyllenhammar and Partners, the investment bank, is staffed by many former Saléninvest reefer division employees. It now operates 50 of the 80 vessels previously managed by Saléninvest.

The company also announced yesterday that it had signed a $14m deal to ship citrus fruit for the Israeli Government.

Saléninvest previously controlled roughly a quarter of the world's refrigerated cargo market, carrying about 25 per cent of the world's bananas, and 30 per cent of citrus fruit.

Meanwhile, all of Saléninvest's 17 wholly-owned reefer vessels have been transferred to the creditors by Mr Björn Edgren, the court-appointed receiver.

Mr Edgren said an effort to salvage the profitale portions of Saléninvest's former tanker and dry cargo operations through the sale of shares in the Argonaut and Monitor shipping companies (which were hived-off last year) *is likely to involve* " at least two more weeks " of price negotiations with possible buyers.

Helaba chief to take early retirement

By John Davies in Frankfurt

DR HEINZ SIPPEL, who has presided over the financial recovery of Hessische Landesbank (Helaba) during the past 10 years, intends to step down at the end of this year.

Dr Sippel, now 62, was brought in to put publicly owned bank on its feet after it had run up heavy losses and become embroiled in political controversy in the early 1970s.

Its troubles arose partly from rapid expansion into real estate projects and it needed *substantial aid from the* Hessen Government and from savings banks throughout the country.

Dr Heinz Sippel: return to profitability

With group assets of about DM 65bn ($26.5bn), Helaba is one of the largest West German banks. It is 50 per cent owned by the Hessen Government and 50 per cent by Hessen savings banks.

Dr Sippal succeeded in removing th ebank from controversy and has seen a steady return to profitability, capped by the restoration of a dividend payment for 1983 after an absence of 11 years.

The bank has indicated that "a dividend payment would also be possible for 1984, although a decision has not been made."

Helaba has a 16.7 per cent stake in Deutsche Anlagen-Leasing (DAL), the troubled leasing concern, but has indicated it is well able to absorb *its share of the burden from* DAL's write-offs and risk provisions.

Job cuts at French telecom supplier

BY PAUL BETTS IN PARIS

SOCIETE Anonyme de Telecommunications (SAT), one of the main French private telecommunication equipment manufacturers, intends to reduce its labour force by more than 10 per cent this year because of a fall in new orders.

The company, which is the latest French telecommunications manufacturer to announce sizeable layoffs, is also expected to report a loss of FFr 45m ($4.6m) for 1984 on sales of FFr 2.2bn.

SAT said yesterday that it was seeking to save FFr 220m in labour costs this year. This would lead to job cuts involving about 700 of a total of 5,800 workers employed by the group. The company wants to avoid compulsory redundancies and is proposing early retirements and a reduction in working hours without compensation in its provincial plants

*Like other French tele*communications equipment makers, SAT has suffered from the fall in new orders on the domestic market from the French telecom administration. At the same time, SAT had been banking on France's ambitious cable television plan. But this plan is currently suffering delays.

SAT, which installed the optical fibres for the French experimental cable project in Biarritz, had high hopes of winning new French cable orders.

Before SAT, a number of other French telecommunications equipment makers announced the need to make large-scale job cuts. These include the state-controlled Cit-Alcatel group, which plans to shed 1,700 jobs this year; ITT, the telecom group now under Cit-Alcatel management control, with 1,300 job cuts; and CGCT, the former ITT French sub*sidiary nationalised by the* Socialist Government, with 961 jub cuts.

Downturn for Hungarian bank's London offshoot

BY DAVID BUCHAN

HUNGARIAN International Bank, the wholly-owned London subsidiary of Hungarian National Bank in Budapest, has reported pre-tax profits for the year ended last September 30 of *£5.47m ($6.2m).* This is well down from the bank's record 1982-83 profit of £8.3m, but still represents a 68 per cent return on capital.

Mr Tim Newling, managing director since last March, explained yesterday that profits declined to a " more normal level " last year because interest rates, affecting the bank's speciality in forfait and in the trading of fixed interest rate instruments in the discount market, had also behaved "more normally."

A majo rslice of the bank's *profits last year came from its* subsidiary, Hibtrade, which specialises in counter trade and barter. It reported a pre-tax profit of £1.9m.

The issued and fully paid capital of Hungarian International Bank was raised from £8m to £10m last month with the capitalisation of £2m of bank reserves.

Japan to act on withholding tax

WASHINGTON — Japan intends to abolish withholding taxes on Japanese Euroyen bonds held by non-residents of Japan, U.S. Treasury officials were told.

The Japanese Finance Ministry decision was announced at a yen-dollar committee session involving Treasury and Japanese officials. The proposal is to be submitted to the current session of the Japanese parliament.

The Japanese side also reaffirmed an earlier decision to halt withholding tax on other Japanese deposits and securities held by non-residents of Japan.

The Treasury Department welcomed Japan's actions, which are regarded as part of the overall programme to open Japanese financial markets to foreign participation, and also as an act of reciprocity. The U.S., by an Act of Congress last year, halted withholding of taxes on U.S. Treasury securities held by foreigners.

AP-DJ

See Lex

Deak in fight for survival

HONG KONG—At least three companies are interested in buying the Hong Kong and Macao operations of the troubled Deak group of the U.S., a lawyer and an auditor for the local Deak units said yesterday.

Mr Keith McConnell of Baker McKenzie, solicitors, said his firm was retained last Thursday by Mr Nicholas L. Deak, founder of the Deak group, to "do what we can to facilitate a sale of all or part of the local Deak companies."

Mr McConnell said he also was asked to "block any winding up petition against Deak."

The Hong Kong government has filed for the provisional liquidation of Deak-Perera Far East, Deak's main regional company in Hong Kong.

All of Deak's local companies have been shut since early December, when three of the Deak group's main U.S. affiliates filed for court protection to reorganise under chapter 11 of the U.S. bankruptcy code.
AP-DJ

Daim gains influence over KLSE

BY WONG SULONG IN KUALA LUMPUR

MR DAIM ZAINUDDIN, who became Malaysia's Finance Minister last July, is rapidly increasing his influence over the country's corporate and monetary policy.

A close confidante of Dr Mahathir Mohamad, the Prime Minister, Mr Daim has just won a major victory over Tan Sri Aziz Taha, the central bank governor, when the cabinet approved his proposal to direct commercial banks to pump 200m ringgit (U.S.$83m) into the sagging stock market by allowing loans for share purchases.

Previously, the central bank prohibited banks from lending for the purchase of shares as it considered this to be an unproductive and speculative activity. However, the government now weels that shares on the Kuala Lumpur Stock Exchange have fallen too far and this could affect investors' confidence in the economy.

For despite good performances by almost all of the world's major bourses last year, the KLSE industrial index fell by 20.5 per cent to 511 points and many stocks are now at a two-year low.

One senior Malaysian banker, expressed reservations over the government's move, pointing out that investors could view it as just artificial massaging of the stock market and might therefore still stay away.

Another move that will increase Mr Daim's influence over the stock exchange is the transfer of the influential Capital Issues Comittee (CIC) secretariat from the central bank to the Treasury.

The CIC is the watchdog of the securities industry and Tan Sri Aziz is its chairman. Its approval is necessary for any acquisitions, restructurings, or mergers, or for any new share issues.

The central bank is also likely to lose to the Treasury the function of handling negotiations over Malaysia's foreign loans. Mr Daim is known to be impatient with the slow pace of the central bank in making decisions in this area.

Mr Daim is also closely involved in the government's efforts to contain the political fall-out from the Bank Bumiputra loan scandal and to get the bank back on its feet. He arranged for the rescue of the bank by Petronas, the national oil company, last September, and for the release of a report by the Bank Bumiputra investigation comittee.. The report named six bank officials in the scandal which had cost the bank about $1bn in bad loans to Hong Kong property speculators, including the Carrian company.

● MALAYAWATA STEEL, Malaysia's biggest steel producer, has moved further into the red due to high interjest charges and poor demand for its products. In the six months to September, the company incurred an operating loss of 12.7m ringgit compared with a previous loss of 7.5m ringgit.

Revenues rose by 89 per cent to 95m ringgit, while volume increased by 92 per cent to 117,000 tonnes. The higher volume was the result of the commissioning of the company's second rolling mill which was the main reason for a doubling of interest charges to 15.4m ringgit.

The company has sold off its 40 per cent stake in Pernas Realty and Development for an undisclosed sum.

Rapid growth in Tokkin money trusts

BY YOKO SHIBATA IN TOKYO

JAPAN'S CAPITAL management companies, especially those associated with the "big four" brokerage houses, have been enjoying a considerable boom. The rapid growth in "special money trusts" by cash rich companies has been one of the major factors in this success.

According to Nomura Capital Management the size of these trust funds, or Tokkin accounts as they are called, is now about Y1,000bn ($3.9bn). Daiwa Capital Management expects the total to reach to between Y3.500bn and Y4,000bn by March 1986.

Tokkin accounts are placed by the companies with trust banks but the funds are invested by capital management companies. The size of such accounts began to gro wrapidly after the decision of the Ministry of Finance in September to allow life and non-life insurance companies to place a proportion of their funds in them. Even with a limit of 3 per cent, the Tokkin account investment total from this source alone be around Y1,500bn by the end of next year.

However, foreign institutional investors have been critical of the way funds from the Tokkin accounts have been used. Some consider that they have been responsible for the relative weakness of the internationally known blue chips (which predominate in foreign portfolios) as compared with the performance of lesser known stocks.

Foreign investment managers point to the highly speculative market in low-priced stocks with poor fundamentals seen from November until the year end as further evidence for their claim that the selective use of the Tokkin funds has damaged their positions. They claim also that although the total of these funds is small by comparison with the overall size of the market, the professionally managed money has been moving quickly from one stock to another in the search of short-term gains, inviting a rising but basically unstable market.

Tokkin accounts also pose problems in terms of stock concentration. In the past most of the surplus cash coming into the market came from private individuals but last year it was the big listed companies who contributed the lion's share.

Japanese banks, for example, have launched a major equity investment strategy aiming to diversify their asset management and acquire expertise in handling securities investments as part of their gearing up for the era of deregulation.

So while in the past most of the shares held by major banks were for group or political purposes—or even to keep tight relations with important customers, they now hold in excess of Y2,000bn each in their own Tokkin accounts.

Liquidation for Grand Marine

HONG KONG — Grand Marine Holdings, the shipping arm of the collapsed Carrian Investments, has filed for liquidation, the company said yesterday.

Mr Aubrey Clarke, the company's chairman, said recently that Grand Marine would file for liquidation after an unsecured creditor of its subsidiary, Goodwin Marine and Industries, demanded HK$1.15m (U.S.$ 147,436). The demand came after two thirds of Grand Marine's secured creditors voted in late December to stop a scheme to restructure the company's debts.
Reuter

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UK COMPANY NEWS

Mountleigh tops £1m: more USAF work on the way

FOLLOWING a record in 1983-84 the **Mountleigh Group** pushed its pre-tax profits up by £278,000 to £1.11m *in the six months to* October 31 1984.

Furthermore, Mr Tony Clegg, the chairman, is confident that the increased rate of profit will be maintained over the second half.

The interim dividend is being doubled to 2p net per 25p share and barring unforeseen circumstances the directors expect to recommend a final of 4.5p, making a total of 6.5p for the year, an increase of 18.2 per cent.

Mr Clegg says rental income is now flowing at an annual rate of £4.5m and that total turnover in the second half should show a substantial increase over the £7.68m (£3.47m) achieved in the first half.

Rental income for the period improved from £1.4m to £2.23m—the group, based in West Yorkshire, is engaged in property investment and development.

The group has been notified that subject to final approval of the lease terms it has been selected to build 640 houses in *eastern England to be occupied* by U.S. Airforce personnel and their families.

The houses will be leased to the USAF for an initial 10-year term and will be maintained by Mountleigh's existing management organisation.

Group pre-tax profits for 1983/84 improved by £889,000 to £1.7m and reflected for the first time the full benefit of income from a Suffolk residential portfolio let to the USAF.

At the November annual meeting Mr Clegg was confident that profits for the first six months would exceed those of the corresponding half of the previous year.

After dividend payments of £140,000 (£70,000), retained profits emerged at £973,000 (£765,000).

Earnings totalled 15.9p (16.16p)—the unmber of shares in issue amounted to 7m (5m).

McDonnell Douglas set to acquire Applied Research

BY ALEXANDER NICOLL

McDonnell Douglas, the U.S. aircraft maker which is building up its information systems division, has agreed in *principle to buy* **Applied Research of Cambridge**, a software development company *owned by about 80 current and* former employees.

Applied Research, founded in 1969 as a commercial offshoot of the School of Architecture at Cambridge University, provides turnkey computer aided design systems, especially to the construction industry. Among its products are urban planning and mapping systems.

Nearly 40 per cent of net revenues are from exports, and McDonnell Douglas already has exclusive distribution rights in North America.

No terms of the deal have been disclosed. Applied Research *had turnover of £6.6m in* the year ended June 30, 1984, and Mr Ed Hoskins, chairman, said pre-tax profit was about 10 per cent of turnover. The company employs 115 people.

The deal, in which Applied Research is being advised by the London arm of Merrill Lynch, is due for completion in the next few months after shareholder approval.

Xyllyx losses to continue

Xyllyx, which last month announced a complete change of its senior management following a shortfall in orders, is unlikely to show a profit for the current year, ending March 31 1985.

The directors state, however, that prospects for the future remain good, and they anticipate that the present loss-making trend in results will be reversed "shortly."

In the six months to September 30 last year the group suffered losses of £177,000, against a £61,000 for the previous 10 months. Turnover rose from £26,000 to £57,000.

The group, which gained a USM quotation last February, designs the Infobox coin-operated view data system. It made it clear from the outset that the pursuit of large orders for an essentially new product imposed high risks.

BANCO NACIONAL DE CREDITO RURAL, SA

(BANRURAL)

Kuwait Dinars 10,000,000

8¼% Notes due 15th June 1985/1990

(Redeemable at the option of the holders in 1985)

In accordance with condition 4(C) of the description of the Notes in the placing memorandum dated 24th May 1978, the holder of any of the Notes shall have the option to have such Notes redeemed by BANRURAL at 100 per cent on 15th June, 1985. To exercise the option the holder of notes shall at any time between 15th February, 1985 and 15th March, 1985 (both dates inclusive) deposit the Notes to be redeemed with the Fiscal Agent or any paying agent from whom payment is required together with a request for redemption.

CONTACT

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Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.),
Omar Bin Al Khattab Street
P.O. Box 5665, Safat
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Merrill Lynch House
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Over-the-Counter Market

High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
142	123	Ass. Brit. Ind. Ord. ...	142	—	6.6	4.6	7.9	9.4
149	135	Ass. Brit. Ind. CULS...	149	—	10.0	6.7	—	—
77	52	Airsprung Group	53	—	6.4	12.0	5.8	7.1
42	26	Armitage and Rhodes .	41	—	2.9	7.0	5.1	8.5
135	108	Bardon Hill	134	− 1	3.4	2.5	13.5	22.5
58	42	Bray Technologies	49	—	3.5	7.1	6.7	8.1
201	173	CCL Ordinary	173	—	12.0	6.9	—	—
152	114	CCL 11pc Conv. Pf. ...	114	—	15.7	13.8	—	—
804	100	Carborundum Ord. ...	804	+ 1	5.7	0.7	—	—
88	84	Carborundum 7.5pc Pf.	88	—	10.7	12.4	—	—
107	74	Cindico Group	74	—	—	—	—	—
73	61	Deborah Services	65	—	6.5	10.0	6.1	10.0
240	182	Frank Horsell	240	—	—	—	9.6	12.6
206	170	Frank Horsell Pr.Ord 87	206	—	9.8	4.8	8.3	10.8
31	25	Frederick Parker	30	—	4.3	14.3	—	—
50	33	George Blair	46	—	—	—	3.3	6.6
59	28	Ind. Precision Castings	28	—	2.7	9.6	7.8	8.3
219	200	Isis Group	200	—	15.0	7.5	7.9	14.4
124	105	Jackson Group	105	—	4.9	4.6	4.9	9.5
285	213	James Burrough	282	—	13.7	4.9	10.0	10.0
93	83	James Burrough 9pcPf.	93	—	12.9	13.9	—	—
94	71	John Howard and Co.	84	+ 1	5.0	6.0	8.6	12.2
147	100	Linguaphone Ord.	146	—	—	—	—	—
100	93	Linguaphone 10.5pc Pf.	97	—	15.0	15.4	—	—
595	300	Minihouse Holding NV	595	+16	3.8	0.7	42.8	46.8
120	31	Robert Jenkins	32	—	5.0	15.6	—	—
60	28	Scruttons "A"	28	—	5.7	20.4	14.7	3.4
92	61	Torday and Carlisle ...	85	—	—	—	9.1	19.3
444	370	Travian Holdings	370	—	4.3	1.2	21.0	20.7
27	17	Unilock Holdings	26	—	1.3	5.0	12.6	18.2
94	81	Walter Alexander	94	—	7.5	8.0	9.3	11.3
247	228	W. S. Yeates	226	—	17.4	7.7	5.4	10.8

Prices and details of services now available on Prestel, page 48146

Brasway is confident in spite of pit strike

THE MINERS' strike was cause for concern for Mr R. A. Swaby, chairman of **Brasway**, when he addressed the annual meeting in November, but now, reporting significant increases in interim turnover and profits, he believes that the company is on course for a "very good year."

The taxable result for the half yeart o October 31 1984 showed a rise from £195,000 to £401,000 on turnover up by £2.7m to £10.67m. The group's main activities—scrap processing, tube and bright bar manufacturing—are still trading well, although the miners' dispute is continuing to affect some of the company's customers.

The interim dividend is effectively raised from 0.5p to 0.75p net per 10p share, following the equivalent 1.33p total for the last full year, when profits reached £422,000. The directors will be "as generous as possible" with the final dividend.

After a tax charge of £180,000 (nil), earnings per share are quoted at 4.75p against 4.21p.

Trading recommenced on December 1 *from one of the* company's redundant leased factories at Dudley, and it is hoped that the newly formed division will soon become a valued and profitable member of the gorup. All tube used there will be supplied by the company's own tube division, which is now operating "very efficicinetly and profitably" from its new building at Wednesbury.

In a reference to Brasway's potential growth prospects and the approximate 51 per cent holding by Swaby family interests, the chairman says that *much thought is currently being* given to the possibility of a dilution of the family shareholding.

Profit growth at CTSB

Central Trustee Savings Bank, the wholesale banking arm of TSB Group, increased its operating profits from £18.7m to £20.4m in the year to November 20 1984. The balance sheets totals increased from £1.6bn to £1.68bn—the growth in deposits coming from sources of funds outside the TSB Group.

Havelock Europa

Havelock Europa has acquired all the fixed assets (comprising freehold premises, machinery and vehicles) and stock of **Joseph and William Henderson**, Glasgow-based shopfitters, for £110,000 cash.

A *new subsidiary called* Joseph and William Henderson (1984) and trading as Hendersons, will be formed.

MINING NEWS

SA gold producers' outlook depends on exchange rates

BY KENNETH MARSTON, MINING EDITOR

AFTER DROPPING below $300 per ounce on Monday, the gold price rallied yesterday to close $5.75 better at $302.25. The FT index of South African gold mine shares followed suit, recovering 9.9 to 455.2.

Back in June 1982, when gold was at the current level, the index was standing at only 183.2. The much higher level of share prices today is largely a reflection of exchange rate benefits to mine revenue resulting from the fall in the value of the South African rand.

Gold is sold for dollars and the proceeds are converted back into rands. Last year the rand fell by 42 per cent against the dollar and as a result the South African gold mines enjoyed rising gold prices in terms of rands while dollar prices fell.

The current dollar price of gold is equal to more than R20,000 per kilogramme which compares with a record average received of R17,227 in the September quarter of last year. *Results for the final quarter of* the year are now pending.

The first batch of these December quarter results will come from the seven mines in the **Consolidated Gold Fields** group, which are due to be published on Friday. Although working costs will have risen it is hoped that these will have been offset by higher gold prices received.

Quarterly results from gold producers in the other major South African groups will follow during the course of next week. *In the cases of more marginal* mines, earnings performance may be muted by the effects of forward gold sales made earlier as a hedge against a subsequent fal lin prices.

The mine earnings outlook for the first quarter of 1985 is less clear. While the supply of gold is fully adequate to meet industrial offtake the chances of a recovery in the dollar price must depend on a revival in investment demand, but this would await an easing in the value of the dollar (and thus a fall in the rand price of gold) or, more important, a rise in the U.S. inflation rate.

In the meantime therefor, the maintenance of high rand prices for gold may depend largely on continued weakness in the rand. *Another factor in the equation*—which points to the need for caution in gold shares at current price levels—is the likelihood of sharper rises in mine working costs against the background of South Africa's rising inflation rate which is more than 13 per cent.

Sale Tilney strengthens its Far East operations

Sale Tilney, the UK insurance broking company, is strengthening its Far Eeast operations by acquiring 60 per cent of the equity of the Singapore insurance broking firm **MACS Insurance Consultants Pte** for S$600,000 (£240,000) in cash.

Sale Tilney has an option in 1987 to take a further 10 per cent of the equity at a price related to profits in that year.

MACS Insurance, whose name will be changed to Sale Tilney-Wong (Insurance Brokers) Pte, was formed about four years *ago and has been building up* its operations in all general insurance branches rapidly. Its business is mainly in Singapore, with some operations in Malay- and Indonesia.

Sale Tilney has a broking and an underwriting operation in Hong Kong and has been looking to enter the Malaysian market. The acquisition will provide this entry. Sale Tilney also feels that its extensive experience in marine insurance will enable MACS to expand in this field.

Mr C. A. Innes, finance director, and Mr J. H. Cahill, manag*ing director of Sale Tilney* (Brokers) have joined the board.

BOARD MEETINGS

TODAY

Interims: Associated Dairies, Bespak, Hollas, Moorgate Investment Trust.

Finals: Ashdown Investment Trust, Guinness Peat, Robert Horne, Johnson and Firth Brown, M. and G. Dual Trust.

FUTURE DATES

Interims—	
Barne Investments and Finance	Jan 22
Control Securities	Jan 14
Mercantile House	Jan 22
Northamber	Jan 17
Samuel (H.)	Jan 15
Stroud Riley Drummond	Jan 24
Finals—	
Bensford (S. and W.)	Jan 17
Blue Arrow	Jan 14
Gestetner	Jan 18
Great Northern Telegraph	*Mar 22*
Lincroft Kilgour	Jan 22
Pratt (F.) Engineering	Jan 28
Raeburn Investment Trust	Jan 16
Warner Holidays	Jan 14

APPOINTMENTS

Taylor Woodrow International president

Mr George Hazell is to retire as chairman of TAYLOR WOODROW INTERNATIONAL on June 30. He will remain a director and become the first president of *the company from July 1. Mr* Hazell will retain the appointments of chairman of the group's Oman and Gibraltar companies. **Mr Walter Hogbin**, deputy chairman and managing director of *Taylor Woodrow International* and group main board director, will succeed Mr Hazell as chairman on July 1, 1985, and remain managing director.

★

Mr James Sinclair, a director of Robert Fleming Properties, has been appointed fund manager of THE FLEMING PROPERTY UNIT TRUST. He is also appointed a director of CIGNA—Fleming Properties, and Moorgate Properties Inc., and joins the committee of management of the Fleming American Property Unit Trust. **Mr Peter Wonnacott** has been appointed a director of Robert Fleming Properties.

★

SOUTHWEST RESOURCES has appointed ***Mr Haque Nawaz* Khan** as deputy chairman. He is also a director of the ultimate parent company, Dominion International Group.

★

Mr Lawrence Urquhart was yesterday named group managing director of the Burmah-Castrol group in succession to **Mr Campbel lA sdnerown,h ...** **Mr Campbell Anderson**, who is returning to his native Australia to take up a senior position outside the oil industry. Mr Urquhart, who is currently chief executive of the Castrol lubricants company and a Burmah director, joined Burmah-Castrol as finance director in 1977. The vacancies created at the top of Castrol by Mr Urquhart's promotion are to be filled by career *Castrol executives.* ***Mr Philip* Fairclough**, currently managing director of Castrol (UK), becomes chief executive of Castrol. He joined the company in 1942. **Mr Peter Pitchford**, director of marketing and technical development with Castrol, will succeed Mr Fairclough. Mr Pitchford has spent 30 years with Castrol.

★

Mr Michael Hughes has been appointed managing director of GEC MEASUREMENTS. He will be responsible for the Stafford and Leicester sites. He was technical director. Mr Hughes takes over from **Mr David Seahill** who has been appointed managing director of GEC High Voltage Switchgear, Manchester.

★

Mr Nick Coombs has joined CEC INSTRUMENTATION, Basingstoke, as director of sales and marketing. The company is part of the instrumentation division of Transamerica Delaval Inc. Mr Coombs was managing director of Burr Brown's sales activity in the UK.

★

***Mr Louis* Kunzig**, managing director of Sciaky Electric Welding Machines has been elected chairman of the WELDING MANUFACTURERS' ASSOCIATION. He is also vice-president of CEMSE, European committee of welding equipment manufacturers.

★

Mr Stuart M. Raven has been appointed treasurer of the ANGLIA BUILDING SOCIETY. He was investment manager.

★

Mr Andrew Sargent has joined the board of SB MODULES in a non-executive capacity.

★

Mr Kenneth Taylor has been appointed a member of the board of CROWN AGENTS for overseas governments and administrations and the Crown Agents holding and realisation board. Mr Taylor was, until his retirement in 1983, a member of the British Overseas Trade Board and secretary of the Export Credits Guarantee Department. **Mr Douglas Williams**, member of the board of Crown Agents, has retired. He will continue his association *with the board on an informal* basis.

★

Mr R. Diarmaid A. Kelly has been appointed a director of BARING FAR EAST SECURITIES, *based at the London* office.

★

Mr M. C. Emerson and **Mr E. W. Thompson** have been appointed additional directors of C. E. HEATH AND CO (REINSURANCE BROKING).

★

Mr Tony Arnold, Mr Peter Davies and Mr Robert McCurrach has been appointed deputy investment manager of EQUITY & LAW LIFE ASSURANCE SOCIETY.

★

NEW DARIEN OIL TRUST has appointed **Mr Michael Forrest** and **Professor Tom** Patten as directors. Mr Forrest is general manager of the Life Association of Scotland and a *director of* Crescent Life Assurance. Professor Patten was founding director of the Institute of Offshore Engineering of Heriot-Watt University. He is a director of Pict Petroleum, United Wire Group and Melville Street Investment (Edinburgh). **Mr Art Nedom** has resigned as a director in view of his increasing business commitments. He *was formerly managing director* of Weeks Petroleum and is currently serving as chairman of the Prudhoe Bay Unit Board of Arbitration.

★

Mr Don Kennedy has joined the St James's group and has been appointed a director of ST JAMES'S PUBLIC RELATIONS. **Mr Rick Martin** has been appointed an associate director of St James's Corporate Communications.

★

Mr Tom Gibson has been appointed a director of THE BRITISH CAR AUCTION GROUP.

LADBROKE INDEX
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Notice of Redemption

Copenhagen Telephone Company, Inc.

(Kjobenhavns Telefon Aktieselskab)

8½% Sinking Fund Dollar Debentures Due February 1, 1986

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of February 1, 1971 under which the above described Debentures were issued, $1,350,000 principal amount of the said Debentures have been called for redemption through operation of the Sinking Fund on February 1, 1985, the date fixed for redemption, at the redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption as follows:

Debentures in coupon form of $1,000 denomination and bearing the following distinctive numbers with prefix letter M:

15	1053	2000	3304	4713	8678	10971	11478	11622	12551	13361	13636	13917	14272	14500
32	1062	2119	3311	4714	8679	10972	11480	11624	12552	13363	13641	13918	14275	14592
63	1065	2121	3312	4745	8863	10973	11481	11625	12554	13383	13643	13919	14283	14604
64	1073	2236	3319	4747	8891	10980	11482	11626	12559	13384	13644	13924	14285	14605
65	1074	2237	3322	4751	8892	10981	11483	11627	12562	13397	13661	13927	14286	14611
67	1085	2239	3325	4753	8893	10982	11485	11629	12563	13405	13662	13933	14291	14612
68	1088	2246	3353	4755	8894	10989	11489	11630	12566	13410	13667	13935	14297	14616
69	1109	2247	3359	4757	8896	10990	11490	11636	12567	13415	13668	13936	14301	14622
70	1111	2249	3362	4770	9021	10991	11495	11638	12568	13421	13671	13937	14302	14627
72	1112	2250	3396	4771	9023	10993	11497	11640	12570	13422	13673	13938	14303	14628
81	1115	2252	3397	4772	9032	10995	11501	11643	12590	13423	13674	13940	14308	14635
87	1117	2254	3496	4786	9055	10996	11504	11645	12592	13424	13675	13948	14309	14678
97	1118	2255	3536	4789	9076	10997	11507	11805	12593	13425	13677	13956	14310	14679
96	1119	2256	3540	4799	9425	10998	11513	11848	12594	13426	13678	13959	14311	14680
100	1133	2270	3543	4801	9639	11003	11514	11878	12595	13429	13679	13960	14318	14681
101	1139	2272	3545	4803	9841	11004	11556	11879	12597	13430	13680	13962	14321	14683
102	1140	2325	3546	4806	9845	11009	11561	11881	12660	13433	13681	13965	14330	14685
106	1141	2326	3548	4943	10664	11011	11562	11883	12671	13434	13682	13970	14331	14686
139	1143	2330	3552	4945	10221	11019	11563	11885	12676	13436	13687	13971	14332	14689
141	1161	2359	3619	4978	10225	11020	11564	11886	12677	13443	13690	13972	14342	14692
152	1218	2360	3620	4979	10227	11021	11565	11887	12679	13444	13696	14008	14343	14725
153	1255	2361	3621	5197	10270	11022	11567	11892	12680	13445	13701	14007	14344	14727
154	1273	2370	3625	5363	10272	11023	11568	11894	12682	13446	13702	14010	14346	14737
156	1285	2384	3634	5427	10276	11024	11570	11895	12685	13455	13704	14012	14347	14748
162	1300	2395	3654	5428	10307	11026	11575	11897	12690	13457	13706	14014	14348	14820
166	1406	2398	3659	5430	10309	11027	11579	11898	12691	13458	13707	14017	14349	14821
180	1408	2404	3661	5431	10310	11028	11581	11899	12693	13490	13711	14018	14351	14822
216	1446	2417	3682	5432	10320	11029	11583	11908	12695	13491	13721	14019	14353	14824
218	1469	2490	3686	5443	10321	11030	11631	11912	12696	13492	13726	14021	14354	14831
310	1491	2495	3697	5445	10375	11031	11632	11913	12706	13495	13727	14022	14357	14841
311	1492	2517	3709	5494	10407	11033	11634	11915	12707	13496	13728	14028	14362	14840
315	1527	2531	3710	5495	10498	11034	11635	11919	12708	13497	13729	14039	14363	14845
334	1529	2545	3713	5505	10501	11036	11641	11922	12709	13499	13730	14041	14386	14846
338	1534	2546	3714	5514	10400	11047	11648	12065	12712	13507	13732	14049	14390	14847
345	1535	2548	3715	5516	10401	11058	11649	12066	12711	13508	13734	14063	14395	14850
350	1538	2566	3746	5517	10403	11059	11651	12067	12716	13509	13737	14064	14397	14852
352	1561	2568	3854	5528	10409	11043	11652	12068	12720	13510	13738	14079	14402	14853
361	1566	2591	3859	5690	10410	11044	11653	12071	12723	13512	13739	14085	14404	14854
392	1567	2596	3862	5788	10421	11046	11654	12079	12724	13513	13740	14107	14406	14856
393	1568	2598	3866	5791	10422	11059	11660	12080	12726	13514	13742	14109	14407	14857
395	1569	2610	3873	5792	10423	11062	11661	12223	12727	13515	13750	14112	14408	14858
416	1571	2611	3883	5807	10424	11063	11665	12224	12731	13517	13779	14115	14409	14859
428	1584	2627	3912	5841	10425	11070	11667	12225	12738	13521	13780	14128	14411	14861
430	1588	2638	3919	5854	10431	11071	11668	12228	12740	13523	13781	14131	14413	14863
472	1590	2639	3923	5865	10512	11073	11669	12236	12741	13525	13787	14132	14416	14867
473	1620	2657	3926	5866	10544	11075	11670	12240	12742	13527	13791	14133	14419	14869
475	1626	2702	3927	5867	10595	11076	11671	12261	12743	13530	13797	14135	14422	14870
478	1627	2741	3938	6130	10597	11077	11672	12268	12747	13534	13800	14138	14424	14871
485	1646	2742	3971	6133	10598	11078	11674	12269	12750	13535	13806	14141	14425	14872
490	1650	2749	3980	6137	10599	11081	11675	12273	12754	13536	13807	14143	14427	14873
544	1651	2758	3981	6195	10613	11082	11701	12278	12756	13538	13809	14149	14441	14874
551	1666	2843	3984	6198	10616	11084	11702	12317	12758	13540	13812	14153	14445	14875
562	1667	2845	3986	6204	10617	11101	11709	12322	12767	13541	13814	14154	14448	14876
570	1705	2849	3990	6236	10618	11176	11710	12325	12768	13542	13817	14158	14449	14880
571	1725	2908	4046	6758	10620	11178	11722	12328	12776	13543	13818	14159	14450	14881
573	1727	2960	4047	7091	10719	11179	11723	12324	12777	13544	13820	14160	14451	14883
575	1736	2972	4049	7160	10720	11207	11730	12329	12802	13547	13822	14161	14459	14885
719	1737	2973	4054	7161	10722	11210	11731	12336	13167	13549	13837	14164	14460	14920
729	1741	2997	4055	7200	10724	11211	11733	12347	13168	13550	13838	14165	14462	14921
730	1742	3002	4057	7256	10726	11219	11735	12348	13170	13556	13841	14167	14499	14922
746	1743	3004	4061	7313	10728	11298	11736	12352	13173	13560	13843	14168	14511	14924
761	1744	3009	4072	7345	10732	11356	11738	12354	13179	13561	13844	14169	14514	14925
767	1760	3010	4090	7365	10734	11357	11740	12356	13180	13562	13845	14177	14517	14927
769	1761	3027	4092	7378	10736	11358	11746	12358	13181	13565	13851	14179	14518	14929
770	1765	3029	4093	7389	10738	11359	11749	12360	13184	13566	13853	14180	14519	14931
823	1767	3030	4095	7840	10739	11360	11750	12362	13198	13567	13855	14192	14520	14914
829	1768	3047	4108	7924	10741	11362	11751	12363	13205	13568	13859	14194	14522	14915
844	1769	3040	4111	7925	10742	11364	11752	12365	13247	13569	13860	14195	14536	14916
845	1770	3061	4118	7965	10743	11365	11762	12366	13248	13570	13866	14205	14537	14918
850	1771	3062	4120	7966	10745	11368	11770	12377	13267	13573	13869	14206	14542	14949
851	1775	3063	4122	8431	10746	11385	11771	12378	13271	13578	13872	14223	14543	14950
873	1786	3064	4198	8435	10747	11386	11773	12381	13274	13577	13871	14224	14546	14951
874	1843	3066	4199	8437	10749	11387	11774	12385	13275	13582	13876	14226	14548	14956
893	1866	3071	4200	8438	10750	11388	11777	12388	13276	13583	13879	14228	14550	14957
902	1867	3089	4201	8416	10751	11389	11781	12487	13527	13586	13886	14229	14553	14958
915	1877	3091	4202	8450	10752	11390	11782	12495	13528	13590	13887	14230	14554	14959
917	1896	3097	4351	8746	10753	11394	11784	12515	13529	13591	13888	14231	14570	14963
919	1898	3099	4356	8747	10754	11421	11787	12516	13530	13606	13889	14235	14572	14964
922	1918	3108	4358	8763	10757	11437	11788	12517	13540	13608	13893	14248	14573	14965
942	1920	3109	4560	8796	10759	11441	11789	12518	13542	13609	13896	14250	14575	14968
944	1922	3112	4582	8849	10760	11442	11790	12522	13543	13610	13899	14251	14576	14970
956	1923	3114	4656	8851	10765	11445	11791	12525	13549	13612	13901	14252	14577	14972
957	1924	3115	4658	8858	10766	11466	11800	12526	13550	13613	13902	14253	14578	14974
964	1927	3210	4662	8860	10770	11467	11801	12528	13551	13615	13907	14254	14579	14976
985	1928	3212	4684	8863	10775	11468	11802	12530	13552	13617	13909	14258	14580	14977
1012	1934	3276	4695	8864	10776	11470	11805	12534	13554	13618	13910	14260	14581	14978
1013	1937	3277	4697	8865	10777	11472	11807	12536	13556	13619	13912	14266	14582	14979
1015	1940	3278	4698	8866	10779	11473	11816	12537	13557	13620	13913	14268	14583	14987
1023	1998	3280	4711	8869	10780	11474	11820	12538	13558	13621	13914	14270	14586	14990
1024	1999	3281	4742	8871	10784	11477	11821	12540	13559	13626	13916	14271	14589	14994

The above described Debentures will become due and payable on February 1, 1985 and interest thereon shall cease to accrue.

Payment of the redemption price of 100% of the principal amount of the Debentures will be made upon PRESENTATION and SURRENDER of such Debentures with all coupons appertaining thereto maturing after February 1, 1985 at Citibank, N.A., Receive and Deliver Department, 5th Floor, 111 Wall Street, New York, New York 10043 or the main offices of Citibank, N.A. in Antwerp, Belgium; Nice, France; Paris, France; Citibank Aktiengesellschaft in Berlin, Germany; Dusseldorf, Germany; Frankfurt (Main), Germany; Hamburg, Germany; Munich, Germany; Citibank, N.A. in Athens, Greece; Piraeus, Greece; Thessaloniki, Greece; Milan, Italy; Rome, Italy; Amsterdam, Netherlands; Rotterdam, Netherlands; The Hague, Netherlands; Geneva, Switzerland; Lausanne, Switzerland; Citicorp Bank in Lugano, Switzerland; Citibank, N.A. in Zurich, Switzerland; London, England; Belfast, Northern Ireland; Dublin, Ireland; Brussels, Belgium; Citicorp Bank (Luxembourg) S.A., Luxembourg; or at the office of Privatbanken i Kjobenhavn, Copenhagen, Denmark; Algemene Bank Nederland, N.V., Amsterdam, Netherlands; Kredietbank, S.A. Luxembourgeoise, Luxembourg; Skandinaviska Enskilda Banken, Stockholm, Sweden; Swiss Bank Corporation in Basle, Switzerland; and Deutsche Bank A.G., Frankfurt (Main), Germany, as the Company's paying agents.

COPENHAGEN TELEPHONE COMPANY, INC.
By Citibank, N.A.
Trustee

Dated: December 31, 1984

Atlantic Capital
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that effective January 1, 1985
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UK COMPANY NEWS

RMC builds W. German presence with £22m deal

BY GORDON CRAMB

RMC Group, supplier of ready mixed concrete and other construction industry materials, has increased its West German presence through a DM 80.3m *(£22.2m) deal to take near-total* control of Rheinisch-Westfaelische Kalkwerke (RWK), a lime and limestone producer in which it has until now held a 49 per cent stake.

At the same time, RMC announced a $6m (£5.2m) cash acquisition in the U.S., where it will take on *the assets of Allied* Products, a concrete producer based in Atlanta, Georgia. The purchase broadens RMC's "sunshine belt" coverage, which already includes sites in North and South Carolina and Florida.

The West German purchase, which takes RMC's holding in RWK above 99 per cent, is being financed by a vendor placing. Schroder Wagg will place 5,913,699 shares in RMC, representing some 6.2 per cent of issued equity.

The placing price was 378⅝p, and the exercise was described by the company last night as "going smoothly." In the market, RMC closed unchanged at 386p, implying a discount for the new equity of just under 2 per cent.

The funding operation, for which Cazenove and Hoare Govett are brokers, is conditional on completion which the company expects on Friday.

Mr John Camden, chairman of the RMC Group

RMC bought its original RWK stake in 1981 for DM 66.7m, when the Hoesch steel group sold off its majority holding. Until the latest deal ,some 36 per cent was held by three German banks, 5 per cent by the Thyssen steel concern, a similar amount by French interests, and a further 5 per cent on German stock markets.

The British company had sought full control but a residual 0.9 per cent of the shares, held in bearer form, has proved impossible to track down. Unless these investors emerge from anonymity, RWK accounts will still have to be published and annual meetings held.

RMC has an established West German operation, through Readymix AG and other units, but sees the absorption of RWK as extending its geographic and industrial base—RWK is a notable supplier to the country's important steel and chemical industries—as well as safeguarding its supply of raw materials.

The limestone resources of RWK, extracted at the rate of some 6.2m tonnes a year, are expected to last "well into the next century," according to Mr John Camden, RMC's chairman.

For 1983, pre-tax profits computed on a basis consistent with RMC accounting policy emerged at £3.6m, with consolidated net tangible assets at the end of that year put at £46m.

Dealings in the RMC shares issued under the placing are expected to begin next Monday.

See Lex

Carlton makes Syma System its latest buy

Carlton Communications, the fast-expanding television and photographic production group, is making its second acquisition *within a month—a £900,000 deal* to take over **Integrated Holdings**, which through its Syma System trading arm provides display units for exhibitions and the retail trade.

just eight years ago, to produce

Carlton is already involved in designing and supplying *customised display stands through* its Carlton Fox subsidiary, which has been a Syma customer for some years.

Mr Michael Green, Carlton's chairman, said stands built by the Nottingham-based Syma "are in all major fairs throughout the world, and the acquisition represents a logical and complementary extension to our own existing business in this area."

Of the purchase price, £100,000 will come in cash, with the remainder in the form of 130,800 Carlton ordinary shares which will not qualify for the 1984 finl dividend. Syma's earnings were put at £83,000 pre-tax in the half-year to June 30 1984, when net assets were given as £510,000. Full-year taxable profits for 1983 reached £170,733.

The previous Syma owners have agreed to retain the Carlton shares they receive for a minimum of a year, and Mr David Ludlanm, the Carlton Fox managing director, will join the Syma board.

Completion of Carlton's last acquisition, the California-based Abekas Video Systems, was announced as recently as last Thursday.

Bennett & Fountain seeks £2m via unlisted placing

Bennett & Fountain, a wholesale supplier of electrical equipment, is coming to the USM by way of placing of 20m shares of 10p, equal to 34 *per cent of the* issued share capital, giving a market capitalisation at the issue price of £5.88m.

Cleves Investments acted as financial advisers and arranged for Bennett & Fountain to reverse into a shell company, Rubber Estates of Ceylon prior to the placing.

Dealings in the shares begin on Monday, January 14. Fiske & Co are brokers to the issue.

Bennett & Fountain has royal warrants as suppliers of electrical equipment to the Queen and the Prince of Wales.

Turnover in the year to March 1984 was £5.93m with pre-tax profits of £673,000. Just over two-thirds of turnover came from the wholesale division which accounted for 96.4 per cent of profits.

The company forecasts a pre-tax profit of £750,000 for the year to March 1985 which on a 35 per cent tax charge gives a PE of 12 at the 10p placing price, and a 6 per cent yield on the 0.42p net dividend the directors say they would have paid if the company had been quoted for the full year.

The company is raising £2m through the placing of which around £1.5m goes to the repayment of loans to directors, and for the freehold purchase of the wholesale division's properties. The remaining finance will strengthen working capital for the future expansion of the business which is likely to include the extension of the wholesaling business into new geographical areas.

Court decision at Hobson

THE DIRECTORS of **Hobson**, a USM-quoted maker of aluminium dies, are considering what action to take following yesterday's decision by the High Court to grant their former managing director an injunction preventing his dismissal.

Mr George Nicholson, managing director of the Cheltenham-based company, was suspended just before Christmas from all executive duties for two months. The High Court yesterday accepted his arguments that the move was unconstitutional.

Mr Rodney Harnett, Hobson's chairman, *yesterday said:* "We will have to seek advice to see what steps we must now take."

Hobson is not commenting on the reasons for Mr Nicholson's suspension, although it is believed to be related to a boardroom dispute over whether to allow Kobe Steel of Japan to take Tobson-made equipment for a year's trial.

An extraordinary meeting has been called for February 7 by Mr Nicholson to press for the dismissal of his three co-directors.

Wm. Leech directors meet amid speculation

By Alexander Nicoll

THE BOARD of **William Leech**, Newcastle housebuilder, met again yesterday as its shares remained suspended amid growing speculation about a new bid for the company.

No information was forthcoming either from Lech or from C. H. Beazer, Bath-based building group which has 24.3 per cent of Leech and narrowly failed to win control with a £21.5m bid last July.

In the City, expectations were either that Beazer, which is barred from making a new hostile bid for a year, might be negotiating an agreed offer, or that Leech might be in talks with another party which would perhaps pick up the Beazer holding.

Beazer has offered £48m for Bath and Portland, but the bid has been knocked out of contention by a £61m agreed bid from Consolidated Gold Fields.

Robertson Research holding sold

The SNC Group of Montreal, Canada, has sold its holding of 3.5m shares, amounting to 28.7 per cent of equity, in **Robertson Research**, through a placing with the institutions. Robertson is based in Wales and provides geological and technical services.

SNC's relationship with Robertson Research dates from 1979, when arrangements were made between the two groups mainly to strengthen Robertson's financial position. The disposal derives from SNC's wish to diversify its investments *following Robertson's flotation in* March 1984.

In its first figures following the listing, Robertson increased profits by 42 per cent to £1.17m for the six months to September 30 1984.

Close Brothers

Close Brohers Group has agreed in principle o subscribe for a conrolling ineres in an investment management company which has been recently formed by Mr Jonathan Thornton. Mr Thornton was previously deputy managing director of CIN Industrial Investments, the unlisted investment arm of the National Coal Board Pension Funds.

Continental Micro

Continental Microwave (Holdings), the Luton-based designer and manufacturer of telecommunications, broadcast and defence electronics equipment, has acquired **Tru-lon Printed Circuits (Royston)**, a specialist manufacturer of printed circuit boards, for £650,000 in shares. At December 31 1983, Tru-lon's net assets were £158,695, and for the year to that date, turnover was £320,485 and pre-tax profits were £75,824. Unaudited pre-tax profits for the nine months to September 30 1984 were £86,030, and the vendors are warranting that profits for the whole of 1984 will be at least £109,000.

William Dawkins charts Hilldown's rise to Stock Exchange status

Trimmed and ready for market

THE FOOD manufacturing sector will receive a fillip at the end of this month or the beginning of next when **Hillsdown Holdings**, the eighth largest private company in the UK measured by turnover, joins the stock market.

Analysts are already drawing *parallels between Hillsdown and* high-flyers like Avana and Northern Foods, which share slim central management structures and owe much of their growth to an ability to purchase and turn round under-utilised assets at speed.

In the 10 yearssince its *foundation by a food company executive* and his solicitor, Hillsdown has spent more than £50m on picking up some of the most notorious duds in the food industry, as well as a few peripheral interests in furniture, office equipment and stationery. Non-food sales represent less than 10 per cent of the total.

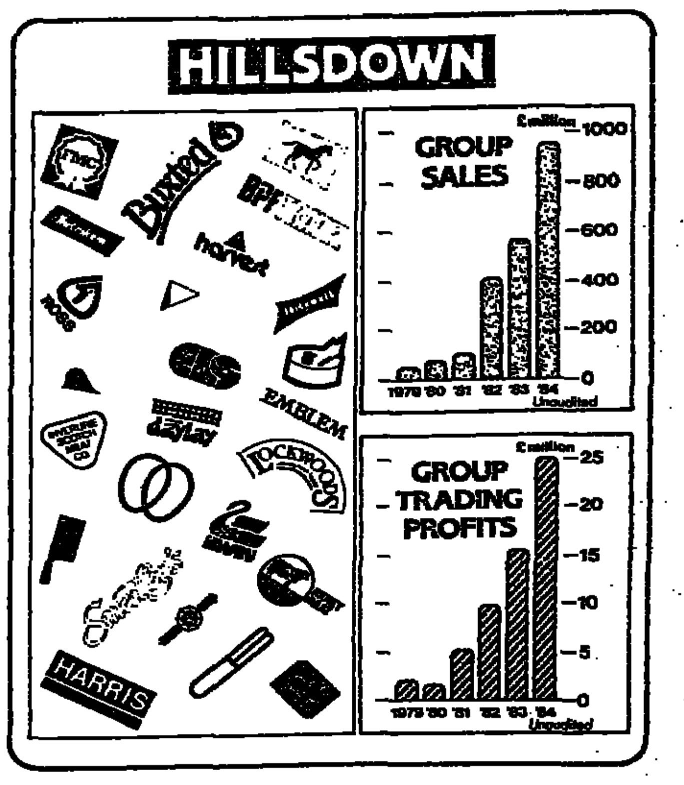
By dint of old-fashioned virtues like cost-cutting, investment in more efficient plant and improvements in management communications, it has moulded its diverse interests into a conglomerate which increased taxable profits by 56 per cent to an unaudited £18m in the year to last December on sales up by 67 per cent to £950m. Five years ago, Hillsdown was making just £1.1m before tax.

In the process, it has turned itself into—among other things—the UK's largest fully integrated poultry and egg producer, through its Buxted Poultry and *Daylay Eggs subsidiaries*, which respectively produce 1m chickens and 22m eggs per week. Daylay has more than a 20 per cent share of the high street egg market. Hillsdown's FMC offshoot, bought in October 1983 for £4.9m, is Europe's largest meat wholesaler, while its Lockwoods and Smedleys subsidiaries are together the UK's biggest fruit and vegetable canners.

The group is expected to achieve a market capitalisation of between £150m and £200m on flotation, which will represent at least 2 per cent of the food sector and do something to fill the gap left in fund managers' portfolios by the recently taken over Brooke Bond Group and J. Bibby and Sons.

It expects to release 20 to 35 per cent of its equity, which, excluding share sales by existing investors, will raise between £20m and £35m in new money for the company. The cash will be used to reduce net debt—currently £65m as against net assets of over £100m—and to find further acquisitions.

Hillsdown's acquisition strategy has landed it with a problem, in that it is firmly lodged in unexciting sectors which have limited prospects of overall *growth. Investors will therefore* be looking for evidence that it can continue to keep up the pace of acquisitions without straining its management resources, while developing new products and finding new market niches.



An example of the latter is the sealed foil tray developed recently by Hillsdown Limited (Lockwoods and Smedleys). This *allows fresh dishes like salads* and vegetable pies to be stored for months, and is now *sold through most Sainsbury outlets* and is under study by Marks & Spencer.

Hillsdown was formed in 1975 after Mr David Thompson—who will own at least 60 per cent of the equity after the flotation—left his family meat company, Eastwood Thompson, and teamed up with solicitor Mr Harry Solomon to form a food company of his own.

The group first came to prominence six years later in 1981, when Hillsdown bought Lockwood Foods from the receivers for £3.5m. Its first actions were to reduce the administrative staff from 120 to 40 people, merge Lockwood's scattered operations into one factory, pull out of loss-making overseas operations, and to institute a £3m three-year capital investment programme in computer controlled processing equipment. The latter resulted in a 25 per cent reduction in Lockwood's workforce over the same period.

Mr Colin Lazenby, Lockwood's managing director, noted a marked difference in his new *employer's attitude to divisional* management. "We were no longer on the defensive. We got support and were encouraged to make positive decisions. There was a friendly approach, as opposed to a master and servant situation."

The next recruit to the Hillsdown regiment, in April 1982, was Buxted Poultry, along with all the other broiler, egg (Daylay) and animal feed businesses of Imperial Group. The purchase price was £48.5m, later reduced to £39.2m when Hillsdown negotiated to complete the payment four years earlier than originally agreed. In an ironic family twist, the package included Eastwood Thompson, Mr Thompson's former family business, which sold out to Imperial in 1978.

The Imperial business immediately received a dose of the medicine which had been applied to Lockwood. Mr Keith Lillington, managing director of the Nitrovit animal feeds company and chairman of Daylay, who came over the Hillsdown with the deal, explains that the eggs group had been overproducing and supplying the wrong market. Its problems were compounded by the fact that Nitrovit, Daylay's feed supplier, had been run by Imperial as a separate company, so that Daylay had no control over feed costs, which account for 70 per cent of its operating costs.

It took almost a year to cut Daylay's production by 20 per *cent. "It was like turning round* a supertanker," says Mr Lillington. "Not only do you have birds that lay eggs, you have birds that breed that lay eggs—a long chain which takes time to change."

Nitrovit and Daylay were run together as a single company and the group moved away from supplying the wholesale market, with its wildly erratic price movements, to serving high street multiples, where margins were more dependable, even if sometimes slimmer than in Daylay's old markets. Buxted, meanwhile, closed three of its five plants, cut the workforce almost by half to 3,300, and shifted away from supplying frozen chickens to the supply of more profitable fresh ones.

"It was the first time that we were allowed to decide for ourselves what to do," says Mr Lillington. A year later, in March 1983, Hillsdown paid a nominal £1 for the struggling Tozer Kemsley and Millbourn's Smedley canning operation, which at the time was losing £1m per month.

As with Lockwood, Smedley's widespread operations were concentrated, this time into two plants in Cambridgeshire and Scotland. Smedley also brought with it the UK's oldest vegetable freezing operation, which according to Mr Lazenby is now well on its way to achieving a 10 per cent share of a £400m UK market.

By July that year, Smedley had moved into the black, and the merged Smedley-Lockwood produced a £2.2m trading profit in the nine months to last September.

FMC, Britain's largest slaughterhouse group, fell into Hillsdown's lap in October 1983, following the failure of a refinancing plan by its former owners, the National Farmers' Union Development Trust.

"FMC is today a new-found business," claims Mr Peter Kingdom, its managing director, who used to run FMC's Irish operations before that takeover. "We got rid of a decaying series of middle and upper management. We used to have 24 directors; now we have three."

The ability to motivate management, cut bureaucracy and establish short lines of communication to head office is clearly an important theme in *Hillsdown's progress.* "It's very important to be able to make quick decisions. Our MDs can just pick up a phone to David Thompson or me, and after a quick chat, it's done," says Mr Solomon, joint chairman.

Another major profits increase *looks on the cards for the current year*, not least because there are further rationalisation gains to come from FMC as well as interest savings from the flotation proceeds.

However, in the longer term, the group's ability to outpace a slowly growing market — the *food manufacturing sector's profits* were up by an average of just 12 per cent last year — will depend heavily on its luck in the takeover game.

NEW LIFE BUSINESS

Scottish Amicable shows all-round growth

A RECORD year for new life and pensions business is reported by **Scottish Amicable Life Assurance Society**, with growth in most main areas of operation.

New annual premiums on UK individual business increased 20 per cent from £50.1m to £60.2m, despite the ending of Life Assurance Premium Relief, while single premium business advanced by a similar proportion *from £60.5m to £71.9m.*

The company maintained its position as a leader in mortgage-related fields through its building society and banking connections. Annual premiums on its low cost endowment fell only 1 per cent in 1984, from 31.5m to £31.2m—1983's figure being *boosted by considerable one-off* business as householders converted the method of repaying mortgages with the introduction of MIRAS .

Self-employed pensions business was extremely buoyant with annual premiums more than doubling to £10.4m and single premiums rising nearly 80 per cent to £16.1m. Executive pension schemes showed a healthy increase, with annual premiums rising over 40 per cent to £8.7m and single premiums over 70 per cent to £11.5m.

New annual premiums on its linked life operations rose by a half to £4.6m despite the loss of LAPR, but the company's sales of linked life bonds remained static at £43.4m in the face of growing competition from other *traditional life companies in this* sector. New annual premiums on other conventional savings contracts rose 8 per cent to R5.3m despite the loss of LAPR.

The company's pensions management fund SCAMPI saw a 50 per cent rise in revenue last year from £180m to £272m, though revenue on group pension insured schemes fell by a fifth from £16m to £13m. The Segregated Fund service, launched in 1982 now has 13 major corporate clients and £207m under management.

New business in Australia saw annual premiums rise by two-thirds from A$5.6m to A$9.1m, while single premiums were virtually unchanged at A$99.4m.

The total premium revenue of Scottish Amicable rose from £454m in 1983 to £620m in 1984, with total UK funds of £3.36bn under management.

LONDON STOCK EXCHANGE

MARKET REPORT

Money supply news revitalises Gilt-edged and sweeps leading shares to record levels

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Dec 24	Jan 10	Jan 11	Jan 21
Jan 14	Jan 24	Jan 25	Feb 4
Jan 28	Feb 7	Feb 8	Feb 18

* "New-time" dealings may take place from 9.30 am two business days earlier.

Better-than-expected money supply figures revitalised Government stocks and unleased a fresh wave of optimism for leading shares, many of which surged to new record levels in London yesterday. The FT Ordinary share index achieved its third successive sharp gain to close 15.5 up at another all-time peak of 971.2, after standing only 2.6 higher awaiting announcement of the banking statistics at 2.30 pm.

Beleagured by sterling, interest rate and oil price fears since before Christmas, Gilt-edged securities responded strongly to news of the fall of ½ per cent in sterling M3 during December. The contraction confirmed best expectations and brought the annualised rate of money growth back within the target range.

Gilts immediately doubled earlier rises and turnover expanded sharply. A scramble for the long tap stock, Exchequer 9¾ per cent 1998 "A," soon exhausted the authorities' supplies after the Government broker had cut the selling price to 58¾. Interest faltered as sterling later gave up an easier rise against the dollar, but longer-dated Gilts maintained their momentum to close only marginally below the highest and showing rises stretching to 1¼ points. Shorter maturities too traded briskly and settled nearly a point up in places, while index-linked issues put on ½ or so.

Equity investors were not idle and top-quality shares, which had stagnated awaiting the monetary aggregates, raced higher in lively trading. Demand remained selective but often comprised constituents of the FT Ordinary share index, only two of which settled easier on the day. Emphasising the late strength, the index jumped nearly 13 points in the final two hours of business to extend its rise over the past three sessions to one of 42.5.

Insurances strong

Life issues continued to lead the way in Insurances. Encouraged by the current spate of new life business statistics and by takeover hopes, buyers pushed quotations higher from the outset. Stock shortages often accentuated rises, which ranged to 25 at the close. **Pearl** finished ½ point dearer at a year's high of £10½, while **Refuge** added 20 at 338p, as did **Britannic**, at 620p. **London and Manchester** put on 21 to 705p and **Sun Life** firmed 12 to 794p. **Prudential** appreciated 8 to 516p, while **Legal and General**, 565p, and **Equity and Law**, 256p, gained 7 and 6 respectively. Lloyds Brokers were also impressive, the sector's considerable dollar earnings potential attracting renewed demand. **C. E. Heath** featured with a rise of 18 to 583p, while **Willis Faber** firmed 13 to 598p and **Stewart Wrightson** 10 to 525p, **Sedgwick**, 345p, and **Hogg Robinson**, 232p, improved 6 apiece. **Royals** put on 10 to 530p among Composites.

Apart from **Midland**, which softened a couple of pence to 350p, after 347p, as bid speculation cooled after the bank's denial of approaches from either BAT Industries or BP, the major clearing banks moved forward. A squeeze on bear positions lifted **NatWest** 10 to 602p and **Barclays** the same amount to 572p, while **Lloyds** were similarly better at 542p. Elsewhere, **Bank of Ireland** rose 12 to 260p.

Steady institutional demand prompted some noteworthy gains among Breweries. **Bass** led the way with a gain of 11 at 498p, while **Whitbread A**, 234p, and **Arthur Guinness**, 231p, rose 4 apiece; the last-mentioned is due to finish the dividend season by announcing interim results next Tuesday. **Allied-Lyons**, up to 171p earlier, settled only a penny dearer on balance at 168p following the reorganisation of its brewing division and consequent boardroom appointments. Regionals participated in the upturn with **Wolverhampton and Dudley** 8 up at 278p, and **Vaux** 4 better at 265p. **Matthew Brown** attracted fresh takeover speculation and advanced 5 to 288p, while **J. A. Devenish**, recently the subject of a broker's bullish circular, were marked 25 higher to 550p.

Leading Buildings benefited from late support and closed with useful gains. **Blue Circle** moved up 8 to 478p and **Tarmac** rose 6 to 512p, while **BPB Industries** firmed 4 to 272p. Contracting and Construction issues were firm under the lead of **George Wimpey**, up 5 at 117p. **Taylor Woodrow** rose 8 to 368p and **Costain** 4 to a 1984-85 peak of 368p. **AMEC** hardened a couple of pence to 254p, but **Barratt Developments** encountered profit-taking in the wake of its recent revival and closed 4 cheaper at 84p. Elsewhere, the successful rights issue helped **Nottingham Brick** rise 7 to 152p. Timbers attracted selective support with **Meyer International** rising 4 to 131p and **John Carr** adding a couple of pence to 65p.

ICI fluctuated narrowly in quiet trading before late support left the close a net 8 up at 738p. **Allied Colloids** gained 6 to 238p, as did **Anchor Chemical** to 183p. **Arrow** moved ahead to 80p on suggestions of a possible bid from ICI, but the board's denial of any takeover approaches sparked profit-taking and the price settled 5 higher on balance at 77p. **Wolstenholme Rink** firmed 6 to 186p on news that G. M. Firth had increased its stake.

Double-figure gains were commonplace among Stores as investors displayed renewed confidence as dearer credit fears faded. **Gussies A** rose 13 to 760p, while **Woolworth**, additionally aided by a Press mention, advanced a like amount to 590p. **Burton**, 421p, and **House of Fraser**, 322p, improved 8 apiece. **Debenhams** closed 5 up at 213p. **Dixons** attracted buyers ahead of interim results due in the next trading Account and put on 10 to 567p; **Currys** rose 7 to 619p. **Harris Queensway**, 228p, and **MFI**, 266p, advanced 13 and 7 respectively. **J. Hepworth**, still benefiting from favourable comment, closed 7 up at 183p, while revived speculative support lifted **Stead and Simpson A** 13 to 165p. **Etam** firmed a few pence to 144p following news that discretionary clients of Morgan Guaranty of New York hold 5.39 per cent of the equity.

Among Shoes and Leather issues, **FII**, closed 5 up at 210p, and **Pittard**, 3 better at 85p, both benefiting from favourable comment.

Investors began to show an increased interest in **Racal** ahead of the interim figures, scheduled for January 23, and the close was 10 dearer at 272p. **British Telecom**, first-half results due tomorrow, climbed a few pence more to another new peak of 111p, while **Cable and Wireless** jumped 17 for a two-day advance of 35 to 485p on further consideration of the group's far-eastern earnings potential. **Thorn EMI**, on the other hand, eased 3 to 457p, after 455p; *the interim results* are due tomorrow. Secondary electricals were inclined harder in places. **Acorn Computer**, at 63p, retrieved 5 of the previous day's decline of 8 following reassuring Press comment, while **Microgen** jumped 40 to 790p.

Gains in Engineering were rather modest. **Hawker** improved 8 to 441p and **GKN** edged up 3 further to 207p after the previous day's flurry of U.S. activity. Elsewhere, **Carelo** advanced 6 more to 176p on the interim figures. **Brasway**, also reflecting half-year results, rose 4 to 49p. Buyers appeared for **IMI**, which put on 4 to 104p, and for **B. Elliott**, up a penny further at 59p, after 61p. *Chemring* hardened 5 more to 495p in a limited market, while **Howard Machinery** stood out with a gain of 3½ to 11½p among smaller-priced issues.

A lively two-way business developed in **Associated Dairies** in front of today's interim results and the close was 2 dearer on balance at 156p, after 150p. Fellow Food retailer **Hillards**, a firm counter recently on bid speculation, slipped to 352p in the absence of any developments before rallying strongly to close unchanged on the day at 362p. Among other Foods, **Tate and Lyle** attracted fresh support and rose 8 to a 1984-85 peak of 455p, while **Cadbury Schweppes** firmed *4 to 167p. S. and W. Berisford* gained 5 to 186p; the annual results are due on January 17.

Grand Metropolitan encountered aggressive buying and closed 12 higher at 312p. **Trusthouse Forte** continued to meet support ahead of the annual results, expected on January 16, and added 3 more to 158p. **Kennedy Brookes** put on 8 to 265p on speculative buying.

BOC good

Leading miscellaneous industrials took a distinct turn for the better after a mid-session spell of uncertainty. U.S. demand enlivened **BOC**, which put on 12 to 261p, and other American favourites were also well to the fore. **Glaxo** featured a gain of ½ to a fresh 1984-85 peak of £11½, while **Reed International** were 12 to the good at 552p and **Beecham** 8 up at 385p. Elsewhere, **F. H. Tomkins**, reflecting comment on the interim figures, advanced 8 to 153p. **Redfearn Glass** improved 6 further to 83p on recent Press mention, while persistent demand ahead of the proposed share split and scrip issue lifted **Smiths Industries** 37 to 714p. **Initial** spurted 25 to 530p on speculative buying prompted by hopes that the Monopolies Commission would give the go-ahead for the BET bid. **Wedgwood**, bought on its overseas earnings potential, advanced 11 to 206p. **Dalgety** were noteworthy for an improvement of 11 to 486p, while **European Ferries**, which recently purchased P and O's Anglo-French ferry operations, stood out with a rise of 8 to 140p. **Marley**, an old takeover favourite, put on 6 to 103p, while **Henry Boot**, up 5 more at 325p, responded afresh to the Singapore contract. **Peter Black** advanced 10 further to 213p on buying in anticipation of Friday's interim statement. **Wade Potteries** gained 5 to 121p after the annual meeting and **Scapa Group**, up 12 more at 450p, *continued to respond to favourable* Press comment.

Casino concerns made their brightest showing for some time. **Aspinalls** rose 6 to 110p and **Pleasurama** moved up 12 to 388p, while **Trident TV A** hardened a couple of pence to 189p. Among other Leisure issues, **Juliana's** continued to reflect Press comment and gained 12 more to 215p, while **Riley Leisure** put on 4 to 44p on takeover hopes.

Actively traded at around the overnight level throughout the session, **Jaguar** responded to a flurry of after-hours demand and closed 11 to the good at 276p; brokers Phillips and Drew and de Zoete and Bevan both regard the *shares as cheap. Components* also made fresh progress with gains of 5 common to **Lucas**, 262p, and **Dowty**, 193p; the latter's first-half figures are scheduled for January 17. **AE** hardened a couple of pence more to 123p.

Associated Newspapers advanced 23 to 523p on buying ahead of the preliminary results scheduled for release on Friday. Associate concern, **Daily Mail A** jumped 30 to 885p in sympathy. Elsewhere, **Fleet Holdings** encountered revived speculative demand and closed 3 dearer at 199p, while **United Newspapers** added 8 at 321p.

Recently-subdued Properties *revived as buyers reappeared.* **MEPC** led the sector higher, rising 8 to 317p, while **Land Securities** moved up 4 to 307p and **Capital and Counties** 5 to 212p. Elsewhere, **Mountleigh** gained 35 to a 1984-85 peak of 285p in response to the good interim results.

P & O Deferred advanced 9 more to 322p amid continuing hopes of a merger with **Sterling Guarantee Trust**, 4 dearer at 72p.

Buyers returned for leading Textiles. **Courtaulds** rose 8 for a two-day advance of 15 at 140p, while **Coats Patons** also improved 8 to 159p, and **Dawson International** 6 to 262p.

Further consideration of the group's overseas earnings potential lifted **Bats** 10 more to 360p.

Tricentrol move ahead

The continuing bad weather throughout Europe, another strong performance by North Sea oil spot prices and news of an encouraging gas discovery in the North Sea led to good gains in Oils for the third consecutive trading day.

The gas find, in Block 48/11B, prompted substantial support for participants **Britoil**, 8 firmer at 200p, after 203p. **Tricentrol**, 15 higher at 198p, and **Saxon Oil**, which jumped 35 to 375p, after 380p.

Leading issues showed **BP** another 5 firmer at 493p, **LASMO** a similar amount to the good at 340p and **Enterprise Oil** 4 better at 192p. **Shell** initially improved to 663p but eased to close a couple of pence off at 653p.

Burmah dipped to 216p early on, reflecting general lack of interest but revived strongly after-hours, amid a flurry of bid speculation, to close a net 7 up at 230p.

Golds below best

Currency considerations continued to play a major role in mining markets. The initial decline in the dollar gave a mild boost to the bullion price which improved to around $304.40 during the morning, but the metal price faltered around mid-*day and thereafter eased back* to close $5.75 up on balance at $302.25.

South African Golds mirrored this performance. Speculative buying and investment support from Switzerland prompted sizable gains in top quality Golds throughout the morning session. The trend was reversed in the afternoon, however, as profit-taking reduced gains across the board. Nevertheless, closing levels were generally above those of Monday evening and the Gold Mines index posted a 9.9 rise to 455.2.

Among South African Financials, a good two-way business developed in **De Beers** *which held* at 345p ahead of the diamond sales figure, expected within a day or so.

Leading Australians enjoyed a good day following the rally in Sydney and Melbourne overnight. **MIM** added 5 at 161p, **Western Mining** put on 3 to 185p and **Bougainville** were 4 firmer at 110p. Recently-depressed **Peko-Wallsend** rallied 6 to 286p.

FINANCIAL TIMES STOCK INDICES

	Jan. 8	Jan. 7	Jan. 4	Jan. 3	Jan. 2	Dec. 31	year ago
Government Secs.	81.49	80.82	81.13	81.00	81.21	81.71	83.68
Fixed Interest	85.22	85.07	85.04	84.96	85.27	85.35	87.22
Ordinary	971.2	955.7	941.0	928.7	940.4	952.3	796.8
Gold Mines	455.2	445.5	459.0	451.3	473.3	478.9	542.5
Ord. Div. Yield	4.46	4.52	4.58	4.63	4.57	4.53	4.46
Earnings, Yld.% (full)	11.33	11.51	11.65	11.77	11.63	11.51	9.12
P/E Ratio (net) (*)	10.60	10.44	10.31	10.20	10.32	10.43	13.36
Total bargains (Est.)	25,657	24,269	21,515	23,078	19,243	17,323	26,591
Equity turnover £m.	—	556.26	287.18	342.70	232.36	245.69	289.25
Equity bargains	—	23,720	20,820	22,283	16,909	18,264	26,276
Shares traded (ml)	—	192.0	165.2	196.4	126.4	131.0	183.8

10 am 960.7. 11 am 959.8. Noon 958.3. 1 pm 958.5. 2 pm 958.3. 3 pm 956.8.

Basis 100 Govt. Secs. 15/1/28. Fixed Int. 1928. Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

*Nil = 10.25.

HIGHS AND LOWS

—	1984/85 High	1984/85 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.77 (9/1/84)	75.72 (30/7/84)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.48 (14/3/84)	80.43 (30/7/84)	150.4 (28/11/47)	50.53 (3/1/75)
Ordinary	971.2 (8/1/85)	755.3 (23/7/84)	971.2 (8/1/85)	49.4 (26/6/40)
Gold Mines	711.7 (9/3/84)	445.5 (7/1/85)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Jan. 7	Jan. 4
Daily Gilt Edged Bargains	151.4	131.8
Equities Bargains	163.7	134.9
Value	720.1	580.5
5-day Average Gilt Edged Bargains	114.8	105.6
Equities Bargains	134.8	123.2
Value	591.9	524.4

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Tues Jan 8 1985 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (ACT at 30%)	Est. P/E Ratio (Net)	Mon Jan 7 Index No.	Fri Jan 4 Index No.	Thur Jan 3 Index No.	Wed Jan 2 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (207)	561.03	+0.8	9.47	3.75	13.24	556.34	551.49	546.69	554.55	486.80
2	Building Materials (23)	505.29	+1.1	12.70	4.92	9.75	499.75	501.06	498.70	507.06	457.30
3	Contracting, Construction (30)	738.97	+0.9	12.98	5.31	9.85	732.13	732.90	727.16	735.66	715.56
4	Electricals (15)	1632.77	+0.5	9.93	4.57	12.72	1624.92	1602.19	1576.79	1577.34	1739.45
5	Electronics (36)	1932.11	+0.5	7.59	2.54	17.02	1923.20	1901.39	1892.73	1925.94	1734.24
6	Mechanical Engineering (60)	285.67	+1.4	11.77	4.51	10.12	281.70	279.43	275.18	278.14	223.08
8	Metals and Metal Forming (8)	172.57	+1.9	13.16	7.52	10.22	169.30	167.04	166.16	168.41	183.08
9	Motors (18)	152.57	+2.0	11.48	4.96	—	149.54	145.23	142.57	144.29	128.02
10	Other Industrial Materials (17)	849.75	+0.5	5.95	3.15	21.00	845.73	838.78	828.60	839.59	620.83
21	CONSUMER GROUP (179)	627.80	+1.7	9.25	3.76	13.08	617.50	610.82	604.96	613.26	478.70
22	Brewers and Distillers (23)	577.79	+2.2	11.88	4.62	10.37	565.35	560.29	550.86	561.98	461.80
25	Food Manufacturing (20)	486.51	+1.2	12.06	4.74	10.37	480.85	478.27	473.30	480.52	386.87
26	Food Retailing (12)	1443.56	+0.8	6.53	2.42	20.38	1432.46	1425.29	1421.18	1448.15	1115.37
27	Health and Household Products (9)	1032.84	+1.7	5.58	2.55	21.03	1015.85	1005.59	1002.17	1019.08	742.27
29	Leisure (23)	700.86	+0.8	7.98	4.49	16.61	695.31	685.17	679.76	685.22	625.93
32	Newspapers, Publishing (13)	1485.26	+1.3	7.76	4.89	16.67	1466.33	1455.43	1445.15	1464.49	1138.37
33	Packaging and Paper (14)	299.39	+1.4	12.27	4.84	9.48	295.15	290.75	286.36	289.41	223.98
34	Stores (45)	552.68	+1.9	7.27	3.36	16.63	542.44	540.02	533.08	540.58	436.27
35	Textiles (19)	310.23	+2.7	12.85	4.51	8.97	302.04	296.44	293.07	296.56	258.37
36	Tobaccos (3)	939.05	+2.3	13.35	4.09	8.35	918.25	888.57	882.40	881.56	542.76
41	OTHER GROUPS (97)	623.70	+1.4	9.49	4.18	13.38	614.91	609.12	605.99	611.37	429.98
42	Chemicals (17)	726.10	+1.4	12.40	4.49	10.29	715.95	714.06	710.88	721.51	634.67
44	Office Equipment (4)	162.95	+0.2	6.94	4.72	16.36	162.62	160.48	154.76	158.10	199.97
45	Shipping and Transport (13)	995.17	+1.9	8.69	4.90	14.71	976.69	968.16	958.88	966.07	811.87
46	Miscellaneous (61)	812.43	+0.8	8.01	3.41	15.16	806.34	801.27	798.35	804.99	548.77
48	Telephone Networks (2)	729.18	+1.9	9.18	4.41	14.21	715.47	704.72	701.92	705.61	0.0
49	INDUSTRIAL GROUP (483)	619.21	+1.4	9.37	3.86	13.20	610.77	604.73	599.75	607.36	479.06
51	Oils (17)	1076.49	+0.9	16.20	6.98	7.63	1067.33	1048.04	1042.21	1053.21	967.16
59	500 SHARE INDEX (500)	657.69	+1.3	10.27	4.27	12.04	649.17	642.65	636.98	644.88	519.86
61	FINANCIAL GROUP (118)	437.55	+1.1	—	5.03	—	432.59	430.10	430.14	432.96	378.60
62	Banks (6)	439.01	+1.3	19.41	6.43	6.52	433.47	428.79	429.78	431.95	383.16
65	Insurance (Life) (9)	597.88	+1.7	—	4.53	—	588.08	580.95	581.31	585.25	521.92
66	Insurance (Composite) (7)	311.67	+0.5	—	5.99	—	310.00	308.53	311.01	311.03	253.14
67	Insurance (Brokers) (6)	1042.99	+2.1	7.38	3.32	18.79	1021.79	1011.88	1014.17	1023.35	683.03
68	Merchant Banks (12)	229.24	+1.0	—	4.55	—	226.99	223.18	220.65	220.99	249.25
69	Property (53)	640.67	+1.2	5.30	3.50	25.11	633.00	635.69	633.07	640.43	550.60
70	Other Financial (25)	269.75	+0.3	9.92	5.75	12.26	268.93	269.48	268.20	271.17	266.98
71	Investment Trusts (105)	568.83	+0.7	—	3.41	—	564.73	565.35	564.72	570.93	506.22
81	Mining Finance (4)	271.84	+0.8	10.86	3.57	11.67	269.78	270.34	271.06	275.45	296.08
91	Overseas Traders (14)	625.28	+1.1	9.37	6.21	13.05	618.73	618.77	618.22	624.86	534.73
99	ALL-SHARE INDEX (741)	598.31	+1.2	—	4.38	—	590.93	585.46	581.88	588.57	486.30
		Index No.	Day's Change	Day's High	Day's Low						
	FT-SE 100 SHARE INDEX	1243.5	+14.5	1243.5	1233.2	—	1229.0	1214.6	1206.1	1220.0	

FIXED INTEREST

	PRICE INDICES	Tues Jan 8	Day's change %	Mon Jan 7	xd adj. today	xd adj. 1985 to date
	British Government					
1	5 years	118.02	+0.61	117.30	—	0.16
2	5-15 years	128.81	+0.87	127.69	—	0.00
3	Over 15 years	135.50	+1.02	134.13	—	0.00
4	Irredeemables	147.90	+0.87	146.62	—	0.00
5	All stocks	127.83	+0.80	126.81	—	0.06
6	Debentures & Loans	108.34	+0.33	107.99	—	0.08
7	Preference	77.44	−0.11	77.52	—	0.00
	BRITISH GOVERNMENT INDEX-LINKED STOCKS					
8	All stocks	109.53	+0.50	108.98	—	0.00

	AVERAGE GROSS REDEMPTION YIELDS		Tues Jan 8	Mon Jan 7	Year ago (approx.)
	British Government				
1	Low	5 years	10.64	10.83	9.26
2	Coupons	15 years	10.56	10.68	9.91
3		25 years	10.07	10.17	9.65
4	Medium	5 years	11.26	11.49	10.84
5	Coupons	15 years	10.97	11.10	10.45
6		25 years	10.36	10.46	9.90
7	High	5 years	11.44	11.65	11.00
8	Coupons	15 years	11.11	11.24	10.64
9		25 years	10.40	10.52	10.00
10	Irredeemables†		9.95	10.03	9.62
11	Debs &	5 years	11.77	11.84	11.42
12	Loans	15 years	11.74	11.80	11.44
13		25 years	11.71	11.76	11.46
14	Preference†		12.78	12.76	12.26
15	Inflation rate	5%	3.36	3.40	3.16
16		10%	3.18	3.22	3.30

† Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		Feb. Vol.	Feb. Last	May Vol.	May Last	Aug. Vol.	Aug. Last	Stock
GOLD C	$300	—	—	24	19	—	—	$301.25
GOLD C	$320	—	—	—	—	41	16	,,
GOLD C	$325	9	3.60	17	8.90	—	—	,,
GOLD C	$350	—	—	36	3.50	—	—	,,
GOLD C	$375	9	0.70	1	2	—	—	,,
GOLD P	$280	57	3.40	50	6.20	42	7.50	,,
GOLD P	$300	11	8	25	12.50	26	13 B	,,
GOLD P	$320	—	—	—	—	20	22	,,
GOLD P	$325	25	23	20	23 B	—	—	,,
			Mar.		June		Sept.	
SILVER C	$600	7	50	—	—	1	85	$599
SILVER C	$800	—	—	2	6	—	—	,,
SILVER P	$550	40	8	4	15	7	—	,,
$/FL C	Fl.335	20	20.60	—	—	—	—	Fl.356.60
$/FL C	Fl.345	21	12.80	—	—	—	—	,,
$/FL C	Fl.350	227	9.50 B	—	—	—	—	,,
$/FL C	Fl.355	21	7	—	—	—	—	,,
$/FL C	Fl.360	66	4.80	17	7.30 B	30	9	,,
$/FL P	Fl.315	10	0.60 A	—	—	—	—	,,
$/FL P	Fl.320	45	0.90	—	—	—	—	,,
$/FL P	Fl.330	2	1.50	4	5	—	—	,,
$/FL P	Fl.335	—	—	17	5.80	—	—	,,
$/FL P	Fl.340	156	3	18	8	—	—	,,
$/FL P	Fl.345	2	4.50 A	—	—	2	14	,,
$/FL P	Fl.350	5	6.30 A	10	12 A	—	—	,,
$/FL P	Fl.355	27	8.30 A	—	—	—	—	,,
$/FL P	Fl.360	8	11 A	8	17.20 A	—	—	,,
$/DM C	DM315	—	—	—	—	200	9.30	DM315.55
$/DM P	DM310	6	5.50 A	—	—	—	—	,,
$/DM P	DM315	3	7.40	—	—	—	—	,,
£/$ P	$125	30	10.30	—	—	30	11.50 B	$11.05 B
			Jan.		Apr.		July	
ABN C	Fl.380	241	5.80	158	17.50	34	19.50	Fl.381.50
ABN P	Fl.360	15	0.20	105	5.50 B	21	11.30	,,
AEGN C	Fl.160	—	—	111	6.50	1	9.50	Fl.155.30
AEGN P	Fl.150	—	—	24	3.80	—	—	,,
AH C	Fl.200	177	4	118	13.50	30	15.50	Fl.201.50
AH P	Fl.200	—	—	29	7.20	—	—	,,
AKZO C	Fl.100	2448	3.70	448	8.60	108	9.80	Fl.105
AKZO P	Fl.100	150	1	384	4	144	6.30	,,
AMRO C	Fl.70	564	2.50 A	340	5.20	247	6.30	Fl.72.50
AMRO P	Fl.70	36	0.40	134	2.60 B	15	3.90	,,
GIST C	Fl.170	81	5.80	18	11.40	5	13	Fl.174.40
GIST P	Fl.160	—	—	7	1.50	3	3	,,
HEIN C	Fl.140	165	10.70	31	14.10	2	17	Fl.150.40
HEIN P	Fl.150	95	1.40	146	4.60	17	6.10	,,
KLM C	Fl.45	1597	2.60	436	5.30	155	7	Fl.47.40
KLM P	Fl.45	72	0.40	253	2	12	3	,,
NEDL C	Fl.160	61	0.30	22	6	—	—	Fl.150.50
NEDL P	Fl.150	2	1.70	50	6.50	2	8	,,
NATN C	Fl.250	32	17.50	15	21	1	26.50	Fl.267.50
NATN P	Fl.250	—	—	23	1.90	—	—	,,
PETR C	Fr.7000	25	120	—	—	4	550	Fr.6930
PETR P	Fr.6500	20	40	—	—	—	—	,,
PHIL C	Fl.60	1091	0.20	382	1.60	124	2.10	Fl.56.40
PHIL P	Fl.60	16	3.70	422	4.20	152	5.10	,,
RD C	Fl.180	567	0.40	457	4.70	278	6.40	Fl.174
RD P	F.170	268	0.80	218	4.40	57	7.30	,,
UNIL C	Fl.320	99	3.20 B	133	10.50	26	12.50	Fl.317.50
UNIL P	Fl.300	15	0.20	73	4	—	—	,,

TOTAL VOLUME IN CONTRACTS: 29,831.

A=Ask B=Bid C=Call P=Put

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	104	0	0
Corpns, Dom. and Foreign Bonds	32	6	35
Industrials	412	181	849
Fin. and Props.	227	142	275
Oils	30	30	65
Plantations	7	2	8
Mines	57	24	97
Others	52	68	87
Totals	921	353	1,416

NEW HIGHS AND LOWS FOR 1984/85

NEW HIGHS (169)

BRITISH FUNDS (4)
FOREIGN BONDS (1)
AMERICANS (2)
BANKS (4)
BREWERS (6)
BUILDINGS (4)
CHEMICALS (6)
STORES (12)
ELECTRICALS (5)
ENGINEERING (11)
FOODS (8)
HOTELS (1)
INDUSTRIALS (33)
INSURANCE (10)
LEISURE (4)
MOTORS (3)
NEWSPAPERS (5)
PAPER (5)
PROPERTY (7)
TEXTILES (2)
TOBACCOS (2)
TRUSTS (28)
OILS (1)
OVERSEAS TRADERS (2)
PLANTATIONS (2)
MINES (1)

NEW LOWS (22)

STORES (1)
Castle (G. B.)

ELECTRICALS (3)
Microvitec
Zygal Dynamics
Resource Technology

ENGINEERING (1)
Ash & Lacy

INDUSTRIALS (3)
Anglo-African Fin.
Rolfe & Nolan
Kamco Oil

SOUTH AFRICANS (1)
Barlow Rand

TEXTILES (1)
Nova (Jersey) Knit

TRUSTS (1)
Inv. AB Beller A

OILS (3)
Ed'burgh Oil & Gas
Strata Oil
Ranger Oil

PLANTATIONS (1)
Bertam

MINES (7)
East Dagga.
Winkelhaak
Unisel
Cultus Pacific
Emperor Mines
United Goldfields
Colby Resources

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price	+ or −	Net Div.	Times covered	Gross Yield	P.E. Ratio
§160	F.P.	18/1	225	176	Candover Inv.	214	+4	H1.4	—	0.9	—
‡‡	F.P.	—	£57½	£54⅜	Dun&Bradstreet $1.00	£54½	−⅛	$1.68	—	2.8	—
‖‖	F.P.	—	92½	88	GBC Capital	92½	+½	Q2.4	—	1.6	—
‖‖	F.P.	—	24	21	Do. Warrants	22	—	—	—	—	—
§78	F.P.	14/12	99	86	✠Gabicci 5p	89	−3	b2.8	2.5	4.5	12.8
¶¶	F.P.	—	86	81	Hawley Group $0.01	83	−1	1.86	3.2	3.2	18.8
‖‖	F.P.	—	117	94	‡‡Highl'ndParticipts	117	+15	—	—	—	—
**	F.P.	1/2	25	21	Jap.AssetsTstWar'nts	22½	+½	—	—	—	—
§62	F.P.	1/2	67	57	Kingsley&Forester 20p	62	...	bg3.04	1.9	7.0	9.5
††	F.P.	—	£39	£36	MartinMarietta $1.00	£36	−1	$1.34	—	3.0	—
§55	F.P.	—	55½	53	✠Optometrics(U.S.A.)	53½	.....	Q3c	—	3.2	—
§130	F.P.	25/1	160	150	✠Penny & Giles Intl	150	.....	bg1.82	2.6	1.7	19.3
92	F.P.	24/1	95	91	ProcessSystems $0.025	93	.....	Q0.25c	0.2	0.2	—
132	F.P.	11/1	200	156	Wardle Storeys 10p	200	+8	u5.0	2.7	3.6	12.2
20	F.P.	—	23½	20½	Williams (Rex) Leis. 5p	20½	.....	u0.91	1.4	6.5	14.8

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price £	+ or −
91.574	£30	10/4	34¼	29⅞	African Dev. Bank 11⅛% Ln. 2010	31⅞	+⅜
§100	F.P.	11/1	102½	100	Comm Bk of Wales 13½% SubUns Ln 95-97	101½	.....
‖	Nil	22/2	10pm	8pm	F. & C. Eurotrust 5¾% Cnv. Ln. '96	10pm	+2
‖100	F.P.	22/2	18ppm	12ppm	FII 7.7% Cnv. Cum. Red. Prf. £1	15ppm	+1
¶101	£51	15/2	54	52	Felixstowe Dock Prf. Units †	52	.....
§99.094	F.P.	18/1	99½	97¾	Gartmore Amer. 11¾% Deb. 2014	98½	+½
**	F.P.	1/3	98	96	Grovebell 7.5% Cnv. Red. Cum. Pref.	96	.....
85.81	£30	19/6	30⅛	28¾	Int.-Am. Dev. Bk. 9¾ Ln. 2015	29⅝	+⅝
99.161	£30	17/1	35	28⅝	Intl. Bk. for Recon. & Dev. 11½% Ln. 2003	32⅝	−⅜
‖	Nil	1/2	9pm	3pm	Jap. Assets Tst. 4½% Uns. Cnv. Ln. 1994	3pm	.....
‖	F.P.	1/2	140p	130p	Johnson Matthey 8% Cnv. Cum. Prf.	140p	.....
‖	F.P.	—	92	85	Lifecare Intl. 6¼% Cv. Cum. Red. Prf. 1999	85	−3
§99.199	£25	15/3	29⅞	24½	Lon. Shop Prop. 11⅝% 1st Mort. Deb. 2016	27⅛	+⅜
§98.013	F.P.	18/1	99	97¼	Lowland Inv. 11¼% Deb. 2010	98	+1⅛
‖	F.P.	—	117	105	McCarthy & Stone 7% Cv. Ln. 99.04	117	+2
—	F.P.	—	100⅛	99	NationwideBldg.Soc. 10½% Bds. 9.12.85	99¾	+⅛
—	F.P.	—	100¼	99⅝	Do. 10⅝% 16.12.85	99½	+⅛
**	F.P.	—	60p	58p	*Simon Engn. 4% Cm. Rd. Prf. '84-96*	58p	.....
**	F.P.	—	64p	63p	Do. 5.4% Cm. Rd. Prf.	64p	.....
**	F.P.	—	76p	76p	Do. 6.35% Cm. Rd. Prf. '91-96	76p	.....
**	F.P.	—	88p	86p	Do. 7.75% Cm. Pd. Prf. '92-97	88p	.....
1.976	£20	27/3	24⅞	18½	Sweden 11% Ln. 2012	22⅛	+⅜
**	F.P.	—	120p	112p	✠Tech. for Bus. 7% Cum. Cv. Rd. Pf.	120p	.....
**	F.P.	—	142	125	Tomkins (F. H.) 9½% Cnv. Ln. '94	148	+6

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ∎	1984/85 High	1984/85 Low	Stock	Closing price	+ or −
64	Nil	8/2	9pm	5pm	Bairstow Eves 5p	6pm	−1
175	F.P.	6/2	213½	213	Birmingham Mint	213	−2
60	Nil	—	54pm	45pm	Burgess Prods	54pm	.....
485	Nil	8/2	155pm	135pm	Carlton Comms	150pm	.....
85	F.P.	4/2	111	99	Carr's Milling	111	.....
50	Nil	13/2	14pm	5pm	Dura Mill 2½p	14pm	+2
80	Nil	1/2	20pm	13pm	LCP Hldgs.	17pm	+5
185	*F.P.*	*18/1*	*228*	*218*	*Marshalls Halifax*	*228*	
24	F.P.	13/2	25½	24½	✠Morris (W.) Fine Arts 20p	25	.....
115	F.P.	4/2	152	143	Notts. Brick	152	+7
255	Nil	8/2	55pm	42pm	Pilkington Bros. £1	45pm	−5
32	F.P.	—	35	32	✠Steaua Romana R V	32	.....
6	Nil	30/1	3½pm	1¾pm	Tranwood 5p	3½pm	.....
250cts	Nil	—	67½pm	60pm	Westpac $A1	60pm	.....

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *d* Dividend rate paid or payable on part of capital; cover based on dividend on full capital. *g* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1985. H Dividend and yield based on prospectus or other official estimates for 1984. Q Gross. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ∎ Allotment letters or fully-paid. ‖‖ *Introduction*. ✠ Unlisted Securities Market. § Placing price. T Figures assumed. †† Official London Listing ‡‡ Dealt in under Rule 535(3). † Comprising 100 Prf. and one Ptg. share.

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Jan 7	Jan 18	Apr 11	Apr 22
Jan 21	Feb 1	Apr 25	May 7
Feb 4	Feb 15	May 9	May 20

For rate indications see end of Share Information Service

Money was given for the call of **Polly Peck, Unigate, Falcon Resources, Arrow Chemicals, Microvitec, Acorn Computer, Johnson Matthey, North Kalgurli, Oliver Prospecting, T. Clarke, Bristol Oil and Minerals, Carless Capel and Leonard, Charterhouse Petroleum, Pineapple Dance Studios, Southwest Resources, Bristol Channel Ship Repairers, Petranol, John Brown, Atlantic Resources, Jardine Matheson, Rocware, Ramar Textiles, GRA** and **F. H. Tomkins**. Puts were taken out in **Shell Transport** and **Granada**. No doubles were reported.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Arrow Chemicals	77	+5
BOC	261	+12
Bowater Inds	236	+7
Falcon Resources	220	+10
Foseco Minsep	187	—
Hanson Trust	341	+1
Heath (C. E.)	583	+18
Hogg Robinson	232	+6
Jaguar	276	+11
Pearl Assurance	£10⅛	+⅛
Selincourt	16¾	−1
Tricentrol	198	+15

MONDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Mons close	Day's change
Midland Bank	19	352	+14
BAT Inds	17	350	+10
Imperial Group	17	194	+10
Acorn Comps	15	58	−8
Cable & Wire	15	468	+18
Share Drug	15	222	+16
Arrow Chems	14	72	+8
BP	14	488	+11
ICI	13	730	+4
Polly Peck	13	238	+11
Shell Trans	13	655	+8
Vinten	13	196	+16
Brit. Aerospace	12	383	+8
Britoil	12	192	+5

LONDON TRADED OPTIONS

Option		Calls Jan.	Calls Apr.	Calls Jly.	Puts Jan.	Puts Apr.	Puts Jly.
B.P. (*493)	390	108	113	—	1	3	—
	420	78	85	—	1	5	—
	460	40	48	57	5	12	20
	500	7	23	33	20	26	55
	550	2	10	—	58	65	—
Cons. Gold (*479)	460	28	42	52	4	17	22
	500	5	27	32	32	47	55
	550	1½	10	16	80	87	94
	600	1	—	—	125	—	—
	650	1	—	—	175	—	—
Courtaulds (*136)	110	26	28	30	1	2	4
	120	16	19	21	1½	3½	6
	130	6½	11	15	3	7	12
	140	2	5	8	8	12	16
	160	0½	—	—	25	—	—
Com. Union (*189)	160	31	35	37	1	3	4
	180	11	21	23	3	8	10
	200	2½	11	16	13	18	20
	220	1	5	—	32	36	—
G.E.C. (*214)	160	58	62	—	1	2	—
	180	38	42	—	1	2	—
	200	20	26	34	1½	4	6
	220	5	13	20	10	13	16
	240	1	6	10	26	30	32
Grand Met. (*308)	280	30	36	45	2	4	7
	300	11	25	30	7	15	20
	330	2	6½	13	27	35	40
	360	1	—	—	55	—	—
I.C.I. (*736)	550	188	194	—	1	2	—
	600	138	144	—	1	2	—
	650	88	94	104	1½	4	8
	700	40	58	68	2	11	24
	750	9	24	38	20	38	4
Land Sec. (*307)	260	47	50	—	0½	2	—
	280	27	32	36	1	5	7
	300	8	20	24	5	10	14
	330	1	5	13	27	30	32
Marks & Sp. (*120)	100	22	25	—	1	3	—
	110	12	16	20	1½	4	6
	120	3	7½	11	5	9	12
	130	0¾	4	6	13	16	19
Shell Trans. (*653)	500	158	163	—	2	3	—
	550	108	113	—	2	5	—
	600	60	68	73	3	11	16
	650	18	32	38	13	25	33
	700	4	12	18	52	60	65
Traf'gar Hse (*342)	260	86	89	—	0½	2	—
	280	66	69	—	1	2	—
	300	46	49	55	1½	3	7
	330	17	26	32	3	7	14
	360	2	8	16	18	25	30

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
BAT Inds. (*358)	260	105	110	115	1	1½	2
	280	85	90	95	1	3	6
	300	65	70	75	2	4	10
	330	39	45	55	4	12	18
	360	16	29	35	15	22	28
Barclays (*572)	420	160	165	—	2	2	—
	460	120	125	—	2	4	—
	500	80	85	96	5	10	13
	550	37	45	56	14	22	30
	600	10	15	30	35	45	52
Bt. Telecom (*111)	80	38½	34	35½	0½	1	1½
	90	22½	25	27½	0½	1½	2
	100	13	17½	20	1	3	5½
	110	6½	11	14	4½	6	8½

Option		Calls Feb.	Calls May.	Calls Aug.	Puts Feb.	Puts May.	Puts Aug.
Imperial Gp. (*195)	140	56	59	—	1	2	—
	160	36	39	43	1½	3	5
	180	16	21	24	4	6	10
	200	6½	11	13	9	13	16
LASMO (*338)	280	65	—	—	3	—	—
	300	45	50	60	5	9	12
	330	24	35	42	12	19	29
	360	8	22	28	32	40	50
Lonrho (*166)	130	36	—	—	1	—	—
	140	26	30	34	2	3½	4½
	160	11	16	19	6	10	12
	180	4	6½	9	18	21	23
P. & O. (*323)	260	66	70	—	1	2	—
	280	46	49	—	2	4	—
	300	29	36	38	3	9	13
	330	10	18	23	16	23	24
Racal (*276)	220	60	68	—	2	2	—
	240	40	50	58	3	4	6
	260	22	32	40	6	9	12
	280	12	20	26	14	18	32
R.T.Z. (*587)	500	95	—	—	2	—	—
	550	50	60	67	8	16	22
	600	20	33	40	27	40	47
	650	7	15	20	70	77	83
Vaal Reefs (*$80)	80	6	9½	12	6½	12½	14
	90	2	6	8	11½	16½	20½
	100	1½	3	4¾	21½	24½	27

Option		Calls Mar.	Calls Jun.	Calls Sept.	Puts Mar.	Puts Jun.	Puts Sept.
Beecham (*385)	330	60	67	—	3	5	—
	360	38	47	55	7	11	17
	390	18	34	30	20	28	35
Bass (*498)	360	147	152	—	1½	1	—
	390	117	122	—	2	2½	—
	420	88	95	—	4	6	—
	460	52	60	67	6	12	15
	500	22	30	37	17	23	28
De Beers (*$4.00)	390	47	58	68	24	40	48
	420	24	42	52	42	57	70
	460	14	28	34	77	92	100
	500	4	17	—	110	125	—
	550	2	8	—	155	170	—
Guest Keen (*207)	160	49	54	—	2	3	—
	180	29	34	40	3	5	9
	200	14	20	24	8	13	16
Hanson (*342)	220	124	127	—	1½	1	—
	240	104	107	—	2	2	—
	260	84	87	—	2	2	—
	280	64	67	70	3	3	5
	300	44	50	51	4	7	12
	330	25	30	41	8	14	20
	360	9	16	21	25	32	35
Jaguar (*264)	180	88	91	—	1	1	—
	200	68	71	—	1	1	—
	220	48	51	56	2	4	7
	240	29	36	38	4	7	12
	260	16	22	26	9	14	19
Tesco (*237)	180	60	65	—	2	2	—
	200	40	45	—	3	4	—
	220	22	27	32	5	8	12
	240	10	16	21	13	16	20
FT-SE Index (*1242)	1000	—	—	—	1	—	—
	1025	—	—	—	1½	—	—
	1050	195	—	—	1½	—	—
	1075	170	—	—	3	—	—
	1100	145	150	—	4	9	-
	1125	120	124	—	7	13	—
	1150	97	105	—	11	20	—
	1175	77	89	—	15	28	—
	1200	60	74	85	22	38	47
	1250	33	47	63	45	64	77

Jan. 8. Total contracts 10,633. Calls 8,242. Puts 2,391.

* Underlying security price.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1984-85 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
105⅜	100½	Treas. 15pc 1985	100½	+⅛	14.93	9.95
102¾	100	Exch. 12pc Cnv. '85	100½	+⅛	11.95	9.71
97½	93⅛	Treas 3pc 1985	97¾	+⅛	3.07	9.43
102⅝	99½	Treas 11½pc 1985	100½xd	+⅛	11.41	10.07
99¼	96⅛	Treas 8¾pcCnv '85	99	+⅛	8.84	10.30
104⅛	99⅞	Exch. 12¼pc 1985	101½	+⅛	12.07	10.33
103⅛	99⅛	Exch. 11¾pc '86	101⅛	+⅛	11.61	10.47
102⅛	96⅛	Treas. 10pcCnv 1986	99½	+⅛	10.05	10.39
93½	88¼	Treas 3pc 1986	93½	+⅛	3.21	8.15
102	96¼	Exch. 10½pc Cv '86	99⅞	+⅛	10.51	10.69
104⅛	99⅛	Treas 12pc 1986	101⅝	+⅛	11.79	10.62
98¾	93½	Treas 8½pc 1984-86‡‡	97⅛xd	+⅛	8.69	10.60
108⅛	102⅛	Exch. 14pc 1986	105⅛	+½	13.32	10.75
89¼	85	Exch. 2½pc 1986	89¼	+½	2.80	8.86
107⅛	100⅛	Exch. 13¼pc 1987	104⅛xd	+⅛	12.69	10.78
100⅞	94½	Treas 10¼pcCv '87	99¼xd	+½	10.58	10.70
87¼	83¾	Exch 2½pc 1987	86⅛	+⅛	2.88	9.55
101⅛	94½	Exch. 10½pc 1987	99⅛	+⅛	10.57	10.80
92¾	87	Funding 6½pc '85-87‡‡	91⅞	+⅛	7.09	10.67
99⅝	92⅞	Treas 10pc 1987	98⅛	+⅛	10.17	10.82
86⅝	81⅛	Treas 3pc 1987	85⅝xd	+½	3.50	9.58
105	97¼	Treas. 12pc 1987	102½	+⅛	11.71	10.92
94⅞	87⅛	Treas 7¾pc 1985-88‡‡	92¼xd	+⅛	8.36	10.61
100¼	92⅛	Exch 10½pc '88	98¼	+⅛	10.63	10.94
98⅛	89⅛	Treas 9¾pc Cv '88	96½	+⅛	10.10	10.98
82⅛	77	Transport 3pc '78-88	82⅛	+⅛	3.64	9.05
96⅛	88⅛	Treas. 9½pc '88	95	+⅛	10.00	11.12
106¼	94⅛	Treas 11½pc 1989	100⅞	+¼	11.40	11.18
96⅛	87⅛	Treas 9½pc Cnv. '89	95	+⅛	10.00	10.97
99⅝	90⅛	Treas 10½pc 1989	98⅛	+⅞	10.70	11.05
100⅛	88⅞	Exch.10pc 1989	96⅛xd	+⅞	10.40	11.12
101⅛	94¼	Exch 11pc 1989	99⅛	+⅞	11.09	11.18
85⅛	77½	Treas 5pc 1986-89	81½	+⅛	6.13	9.95

Five to Fifteen Years

1984-85 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
114⅛	100⅛	Treas 13pc 1990‡‡	106½xd	+1	12.18	11.22
110⅞	100⅛	Exch. 12½pc 1990	108	+⅞	11.99	11.38
94⅛	84⅞	Treas 8¼pc 1987-90‡‡	90¼	+½	9.20	10.81
98⅛	90⅝	Treas. 10pcCv 1990	96½	+1	10.59	11.57
108¼	94¼	Treas 11¾pc 1991	101¼xd	+⅞	11.60	11.45
84⅛	75⅝	Funding 5¾pc '87-91‡‡	82½	+⅝	7.10	9.90
105¼	93⅞	Exch. 11pc 1991	100½	+⅞	11.20	11.37
113¼	98⅞	Treas 12¾pc 1992‡‡	105⅛xd	+⅞	12.02	11.47
100⅝	86	Treas 10pc 1992	97⅛	+¼	10.69	11.33
101	94⅛	Treas 10½pc Cv 1992‡‡	99⅛	+1	10.94	11.30
111⅛	95¼	Exch. 12¼pc '92	107⅞	+⅞	11.86	11.57
117½	106½	Exch 13½pc 1992	113⅛	+1	12.35	11.61
113⅝	98¼	Treas 12½pc 1993‡‡	105¼xd	+⅞	11.87	11.52
79¼	71⅛	Funding 6pc 1993‡‡	78½	+⅝	7.83	10.11
121¼	106¼	Treas 13¾pc 1993‡‡	113¼	+⅞	12.28	11.55
126¼	108¼	Treas 14½pc 1994‡‡	122½	+1	12.36	11.39
120⅝	106	Exch 13½pc 1994	113⅛	+⅞	12.20	11.59
114⅛	96¼	Exch. 12½pc 1994	110⅛	+⅞	11.84	11.51
94⅞	82⅞	Treas 9pc 1994‡‡	89⅞	+¼	10.22	11.01
110⅞	94⅞	Treas 12pc 1995	102¼xd	+⅞	11.68	11.53
64⅞	58¼	Gas 3pc '90-95	64	+½	4.73	8.36
100¼	86	Exch. 10¼pc 1995	93¼xd	+⅞	10.97	11.34
117⅞	102⅝	Treas 12¾pc 1995‡‡	110¼	+1	11.78	11.40
124¼	106⅞	Treas. 14pc '96	115xd	+1	12.12	11.49
94¼	83½	Treas 9pc 1992-96‡‡	90⅛	+¼	10.28	10.96
134⅞	118⅛	Treas 15¼pc 1996‡‡	126¼	+1	12.35	11.49
122⅛	106½	Exch 13¼pc 1996‡‡	114¼	+1	11.80	11.31
69⅞	63¼	Redemption 3pc 1986-96	69¼	+½	4.38	6.99
121⅛	104½	Treas 13¼pc 1997‡‡	112¼xd	+1	11.75	11.29
104½	87⅞	Exch 10½pc 1997	99¼	+⅞	10.97	11.14
92½	77½	Treas 8¾pc 1997‡‡	88	+¼	10.31	10.98
134⅝	118⅛	Exch. 15pc 1997	126	+⅞	12.20	11.51
98⅛	84½	Exch. 9¾pc 1998	91¼xd	+1	10.67	11.01
60⅛	57⅞	Ex 9¾pc '98A (£60pd)●	58¼	+½	10.69	11.03
78	68	Treas 6¾pc 1995-98‡‡	73½	+⅝	9.35	10.71
138⅝	123⅞	Treas. 15½pc '98‡‡	132⅛	+⅞	12.10	11.39
115	100⅛	Exch. 12pc 1998	107¼	+1	11.36	11.19
97⅛	83⅞	Treas 9½pc 1999‡‡	90¼xd	+¼	10.52	10.87
116¼	104	Exch. 12¼pc 1999	111⅛	+1⅛	11.36	11.17
104½	91	Treas. 10½pc 1999	98⅛	+1⅛	10.84	10.93
102½	89¼	Conver'n 10¼pc 1999	96⅛	+⅞	10.79	10.93

Over Fifteen Years

1984-85 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
123⅛	106⅛	Treas. 13pc 2000	114¼xd	+1¼	11.37	11.05
128½	112⅛	Treas. 14pc '98-01	120⅛	+1	11.84	11.31
114⅞	98⅝	Exch. 12pc '99-02	106⅛xd	+⅞	11.28	11.07
100⅛	90	Conv. 10pc 2002	97⅞	+⅞	10.48	10.58
128¼	110¼	Treas. 13¾pc 2000-03	119¼xd	+1¼	11.48	11.06
114⅞	101½	Treas. 11½pc 2001-04	109⅛	+1¼	10.86	10.73
51⅛	43¼	Funding 3½pc '99-04	48⅛xd	+⅛	7.27	9.31
123⅝	107¼	Treas. 12½pc 2003-05	116⅛	+1¼	10.90	10.72
87⅛	76⅞	Treas. 8pc 2002-06‡‡	83	+⅝	9.89	10.20
117⅛	100	Treas. 11¾pc 2003-07	108¼xd	+1⅛	10.81	10.66
132⅛	117⅝	Treas. 13½pc '04-08	126½	+1	11.01	10.70
64⅞	56¼	Treas. 5½pc 2008-12‡‡	61¼	+⅛	9.18	9.68
85¼	72¼	Treas. 7¾pc 2012-15‡‡	78⅞xd	+½	9.78	9.93
124⅝	108⅞	Exch. 12pc '13-'17	117¼	+⅞	10.32	10.23

Undated

1984-85 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
41½	35⅞	Consols 4pc	38¼xd	+¼	10.26	—
37⅞	32½	War Loan 3½pc‡‡	35⅛	+⅞	10.00	—
44⅞	40½	Conv. 3½pc '61 Aft.	43⅛	+¼	8.30	—
31⅛	27¼	Treas. 3pc '66 Aft.	29⅛	+⅛	10.27	—
25¼	22¼	Consols 2½pc	24¼xd	+⅛	10.11	—
26	23	Treas. 2½pc	25	+⅛	10.28	—

Index-Linked

1984-85 High	Low	Stock	(b)	Price £	+ or –	(1)	(2)
108⅝	101	Treas. 2pc '88	(297.1)	107½	+¼	3.96	4.97
94¼	85	Do. 2pc '90	(333.9)	93xd	+½	3.85	4.51
111¼	98¼	Do. 2pc '96	(267.9)	110	+½	3.45	3.76

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES AND SPIRITS

BEERS, WINES—Cont.

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

1984-85 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
64	43	Magnolia Group	46	....	2.5	3.2	7.8	8.5
64	28	♦Malaimari Hldgs 10p	30	....	—	—	—	—
270	157	Man. Ship Can. £1	248	+3	5.5	3.5	3.2	12.8
105	65	Marley	103	+6	†3.2	2.5	4.4	11.6
61	40	Marling Ind. 10p	52½xd	....	†d9.0	5.6	3.5	6.2
46	29	Marshall L'ry. 'A'	37	....	†1.2	3.6	4.6	(6.6)
63	37	Marshall's Universal	61	−2	H1.75	—	4.1	18.3
89	77	Do. 7½pcCvRedPf £1	78	−1	7½%	—	13.7	—
30	20	Martin-Black	22#	....	—	—	—	—
£108	£83	♦Mathesons 7¾%	£83	....	Q7½%	2.3	9.8	—
406	287	Metal Box £1	406	+8	†15.0	3.2	5.3	6.5
220	129	Metal Closures	144	−2	6.3	2.3	6.2	(8.0)
27	12	♦Metal Sciences 2½p	13	....	—	—	—	—
19	8	Metamec Jentique	8½xd	....	0.01	—	—	—
193	85	♦Midland Mkts.	98	....	4.0	1.8	6.3	11.4
71	45	Mitchell Cotts	71	....	4.0	1.5	8.0	10.1
29	13	Molen Grp 1p	15	....	†‡0.5	2.5	4.8	(9.5)
192	132	Morgan Crucible	192	+2	†7.5	1.2	5.6	(29.4)
*36	24½	♦Morris (W) F.A. 20p	25½	....	bg0.5	4.0	2.8	24.2
110	80	Moss (Robt.) 10p	105	+3	♦†2.5	2.3	3.5	14.9
330	197	♦NMW Computers	283	....	6.0	3.0	3.0	15.8
66	38	Nash Inds.	42	....	2.9	♦	8.7	♦
47	30	Neil & Spencer 10p	37	−2	—	—	—	15.9
33	13	Newman Industries	20	....	—	—	—	(11.3)
31	16½	Do. 10pc Cnv Cnv Pf.	20½	....	10%	—	7.0	—
67	39	Nolton	46	....	g1.1	4.5	3.4	7.7
183	132	Norcros	160xd	....	†7.5	2.4	6.7	8.4
86	55	Nu-Swift 5p	63	....	†2.4	3.2	5.4	8.2
100	58	Oakwood Grp.	78	....	†‡6.5	—	‡	—
198	135	Office & Elect.	155	....	7.5	4.2	4.8	7.1
108	92	Oldacre 20p	105	....	u4.0	2.6	5.4	9.3
875	650	OnHome Intl SA	650	....	†Q53c	2.2	6.8	6.7
46	18	Ovenstone 12½c	34	....	‡Q4.5c	2.2	‡	4.1
£163	£120	Ozalid 9pc Cnv 87-92	£162	....	Q9%	—	5.6	—
190	115	♦PCT Grp 10p	115	....	g4.8	2.9	5.8	7.0
£12½	975	PLM 'B' Sk.25	£11	....	Q20%	3.2	4.2	7.4
174	149	PSM Intl	174	+4	bg5.25	2.6	4.3	12.8
62	40	♦Pacific Sales 10p	58	....	b2.4	2.2	5.9	(8.8)
207	148	Parker Knoll 'A'	167	+2	9.0	2.8	7.7	6.6
265	197	Pash	215	....	8.5	2.5	5.6	9.4
590	403	Pearson	585	+7	†14.0	3.0	3.4	11.7
35	18	Peek Holdings	26	....	—	—	—	—
107	89	Peerless	93	....	6.3	1.6	9.7	9.4
300	55	Pentland 10p	297	....	†b1.74	4.1	0.8	31.6
36½	17	Pentos 10p	36	....	B-	—	—	63.8
63	27	Phillips Patents	53	....	1.25	—	3.4	—
£10¼	545	Photo-Me 50p	£10⅛	....	9.45	6.6	1.3	14.4
*350	213	Pilkington Br. £1	300xd	+2	g12.5	2.9	6.0	6.6
£240	£131	Pitney-Bowes Cv. Ln.	£225xd	....	Q5½%	—	2.5	—
64	32	Plastic Const. 10p	51	....	d2.38	1.8	6.7	(22.8)
9	6	Platignum 5p	8½	....	B-	—	—	—
147	105	♦Plaxton Ind.	133	....	bg1.64	4.7	1.8	13.7
345	160	Polly Peck ½p	233	−5	3.5	♦	2.2	♦
19	6½	♦Polymark 10p	11	....	—	—	—	—
89	20	Do. CmPfA £1	53	....	10%	—	27.0	—
615	470	Portals	598	....	†17.25	3.1	4.9	8.6
445	268	Powell Duff. 50p	438	+3	†16.0	1.5	5.2	17.8
82	36	Prestwich	88	....	0.7	4.2	1.2	20.6
134	92	Pritchard Svs.	95	−1	†3.5	1.9	5.3	(11.7)
36	24	♦Protimeter 5p	34	....	0.7	3.0	2.9	(12.3)
108	83½	RFD Group 10p	106	−1	†3.39	2.2	4.9	12.1
95	57	Radiant Metal	74	....	1.5	2.0	2.9	24.5
118	70	♦Ramco Oil 10p	70	−3	‡0.7	5.3	1.4	—

LEISURE—Continued

1984-85 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
*35	8	♦Intereuro Video 10p	10	−2	Bg1.0	1.9	10.4	4.5
215	125	Juliana's Hldgs 2p	215	+12	†b1.75	2.6	—	(41.3)
288	182	LWT 'A'	267	....	14.4	2.3	7.7	8.1
75	42	Leisuretime Int 10p	63	....	†1.8	1.3	4.1	25.3
71	36	♦MME Facilities 10p	67	−1	2.1	1.2	4.5	(26.0)
160	98	Magmt. Ag. M. 10p	150	....	8.75	♦	8.7	♦
179	118	♦Media Tech Int 20p	172	....	wg2.58	3.9	2.1	17.0
137	76	Medminster 10p	130	....	4.85	2.6	5.3	8.8
220	138	♦Miss World 10p	190	−5	†3.0	3.5	2.1	17.3
26	15	♦Nationwide Leis.	23	....	0.25	2.8	1.6	30.8
46	9	♦Nimslo Int 20c	17	....	—	—	—	—
31½	14½	♦Owners Abroad	22	+1½	0.75	6.1	4.9	4.0
66	33	Photax (Lon.)	46	....	—	—	—	—
29½	20	♦P'dilly Radio NV 5p	23½	....	1.87	♦	11.9	♦
130	57	♦Pineapple Dnc St 10p	80xd	−3	d1.5	♦	2.7	♦
420	285	Pleasurama 5p	388	+12	b5.5	4.7	2.4	12.6
17½	10½	♦Pres Entertain 10p	17	+½	bg0.05	2.0	0.2	21.6
158	60	♦Radio City 'A' NV	60	....	5.6	0.9	13.3	11.9
70	50	♦Radio Clyde N/V	55xd	....	3.25	♦	8.4	♦
148	30	Riley Leisure 10p	44	+4	‡4.7	2.4	‡	3.6
148	94	Saga Hols. 20p	147	....	†3.75	1.6	3.6	29.6
580	145	Samuelson Grp £1	540	....	†6.65	3.6	1.8	20.1
27½	18	♦Sangers Photo 10p	27	+2	bg1.25	1.8	6.6	12.2
150	138	♦Scarro 50p	138	....	bg3.68	2.2	3.8	16.8
190	98	Scott. TV 'A' 10p	152	....	†8.1	2.9	7.6	7.1
413	186	SeaCo Inc $0.125	335	+10	—	—	—	—
35	10	♦SelecTV 10p	13	−1	—	—	—	—
145	122	♦Spectrum 5p	138	....	g2.0	4.8	2.1	(14.5)
37	24	TSW 5p	32	....	1.5	2.6	6.7	8.1
157	79	TVS N/Vtg 10p	133	....	‡5.0	♦	5.5	♦
167	102½	♦Television Svcs 50p	167	+4	d1.5	4.2	1.3	48.4
98	60	Tottenham Hotspur	79	....	d2.3	1.6	7.2	(19.2)
189	120	TridTec TV 'A' 10p	189	+2	7.5	♦	5.9	♦
173	100	♦21st Century Dist	120	....	—	—	—	—
197	135	♦Tyne Tees TV 'A' £1	165	+3	10.5	2.3	9.1	6.9
101	53½	Ulster TV N/V 'A'	92	....	4.75	♦	7.4	♦
28	17	Webb (Jos.) 5p	25	....	d0.51	1.0	2.9	49.6
98	88	Zetters 5p	93	....	3.25	3.0	5.0	9.5

MOTORS, AIRCRAFT TRADES

Motors and Cycles

High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
76	33	BL 50p	38	+2	—	—	—	—
325	227	Gen. Mts. Units	325	....	Q12c	—	3.0	—
468	294	Honda Motor Y50	423	+2	Q23%	8.6	0.9	13.0
276	170	Jaguar	276	+11	b7.75	2.8	4.0	11.6
85	54	Lotus Car 10p	69	−1	—	—	—	(34.8)
53	28	♦Reliant Motor 10p	45	....	—	—	—	45.1
£23½	£16½	Volvo Kr25	£22⅜	+⅛	wQ23%	0.6	2.5	70.4

Commercial Vehicles

High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
45	30	ERF (Hldgs.)	36	−2	B—	—	—	5.3
130	81	Plaxtons (GB)	81xd	....	4.5	2.1	7.9	8.5
42	22	York Trailer 10p	28	....	B—	—	—	4.5

Components

High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
123	66	AE	123xd	+2	4.25	2.6	4.9	9.4
88	48	Abbey Panels	85	....	—	—	—	—
77	37	Aerospace Eng.	40	....	d3.25	1.8	11.6	6.8
27	20	Airflow Stream.	24	....	1.0	5.0	6.0	4.5
37	23	Armstrng Eq. 10p	34½	+½	0.6	4.2	2.5	10.3
81	38	Automotive Prods.	65	−1	†1.0	7.7	2.2	(6.9)
*18½	11	Bigwood Bros.	14	....	—	—	—	—

MINES—Continued

Miscellaneous

High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
75	31	♦Anglo Utd Dev	36		—	—	—
410	210	♦Centennial Mn'ls.	325		—	—	—
175	70	♦Colby Res Corp	70	−5	—	—	—
955	550	Cons. Murch. 10c	550		†Q100c	1.4	8.3
36	25	♦Emmes Int Ir10p	28		—	—	—
252	150	Hampton Areas 10p	160xd	+3	3.75	2.1	3.1
225	140	♦Highwood Res.	160		—	—	—
£24½	£16	Homestake Mining $1	£18¼	+⅛	Q20c	—	0.9
295	135	♦McFinley Red Lake	245	−20	—	—	—
240	101	♦Musto Explorations	195		—	—	—
55	23	♦New Sabina Res C$1	32		—	—	—
365	220	Northgate C$1	270		—	—	—
718	500	RTZ	585	+4	†18.0	2.7	4.4
£155½	£113½	Do. 9¼pcLn '95-2000	£129½	−½	Q9¼%	35.4	0.1
£11¼	850	♦Tara Expln $1	£10⅛		—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock".
- • Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK listed; dealings permitted under Rule 535(4)(a).
- ✚ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ǁ Dealt in under Rule 535(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend, cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¤ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ¢¢ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment. Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1984-85. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1985-86. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or −	Stock	Price	+ or −
Albany Inv 20p	90		Arnott	150	....
Craig & Rose £1	£13½		CPI Hldgs.	49	
Finlay Pkg. 5p	44		Carroll Inds.	99	+12½
Higsons Brew.	85		Dublin Gas	65	
Holt (Jos) 25p	880		Hall (R. & H.)	44	+1
IoM Stm. £1	133		Heiton Hldgs.	17	+1
IRISH			Irish Ropes	32xd	....
Exch 12% 1985	£98⅞		Jacob (W & R)	58	....
Nat. 9¾% 84/89	£83⅝	+⅛	TMG	72	....
Fin. 13% 97/02	£88¼	+¼	Unidare	78	....

OPTIONS — 3-month call rates

Industrials	p	Stock	p	Stock	p
Allied-Lyons	15	Hanson Tst.	22	Vickers	18
BAT	30	Hawker Sidd	38		
BOC Grp	24	Hse of Fraser	28	**Property**	
BSR	15	ICI	50	Brit Land	14
Babcock	13	'Imps'	14	Cap Counties	18
Barclays Bank	42	Jaguar	18	Land Secs	24
Beecham	30	Ladbroke	20	MEPC	30
Blue Circle	46	Legal & Gen	42	Peachey	24
Boots	18	Lex Service	32	Samuel Props.	14
Bowaters	16	Lloyds Bank	42	Sterling Guar	5½
Brit Aerospace	34	Lucas Inds	24		
Brit Telecom	7½	Marks & Spcr	10	**Oils**	
Brown (J)	3	Midland Bk	33	Brit Oil & Min	4½
Burton Ord	32	NEI	9	Brit Petroleum	38
Cadbury	14	Nat West Bk	54	Burmah Oil	19
Comm Union	15	P & O Dfd	24	Charterhall	6
Courtaulds	11	Plessey	20	Premier	6
Debenhams	19	Polly Peck	25	Shell	55
Distillers	24	Racal Elect	24	Tricentrol	22
Dunlop	5	RHM	10	Ultramar	22
FNFC	7	Rank Org Ord	24		
Gen Accident	42	Reed Intnl	50	**Mines**	
Gen Electric	20	Sears	7	Charter Cons	21
Glaxo	90	TI	18	Cons Gold	42
Grand Met	26	Tesco	8	Lonrho	14
GUS 'A'	55	Thorn EMI	42	Rio T Zinc	60
Guardian	58	Trust Houses	12		
GKN	16	Turner Newall	9		
		Unilever	80		

A selection of Options traded is given on the London Stock Exchange Report page.

"Recent Issues" and "Rights" Page 27

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £800 per annum for each security.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard, EC4P 4DA 01-236 1833

High Income				
Gilts & Fixed Int.	111.3	117.8xd	+0.5	10.19
High Inc Equity	68.2	72.5xd	+0.3	6.21
Worldwide Bond	159.1	169.3xd	-0.2	5.73
Capital Growth				
American Growth	116.7	124.2xd	-0.4	1.53
Assets & Ernngs. Tr.	69.0	73.8	-0.5	3.18
Capital Reserve (z)	55.8	56.1	+0.2	0.75
Commodity & Engy.	73.0	78.1	+0.2	2.86
General	101.6	108.7	+1.5	2.80
Japan	159.0	170.1	+0.2	0.00
UK Growth	65.2	70.1	+0.7	2.20
Acc. Units	92.1	99.0	+1.0	2.20
U.S. Emerging Co's	50.3	53.8	-0.7	0.48
Equitas Prog	150.1	160.5	+1.4	3.68

Aitken Hume
30, City Road, EC1Y 2AY. 01-628 6626

American Tech Fd	120.0	128.5	-2.0	0.10
Exempt	417.1	442.2		—
Pacific Fd	131.7	140.9	+0.2	0.20
Secured Income Fd.	137.1	146.7	+1.2	5.88
Special Sits	160.0	171.2	+0.5	1.56
Energy Fd.	36.0	38.5		0.60
American Minors	54.5	58.3	-0.3	2.26
Smlr Co's Fd (10for1)	28.7	30.6	+0.3	1.97
Jap. Technology	66.7	71.4	-0.2	0.20

Allied Unit Trusts Limited (a)(g)
Allied Hambro House, Hutton, Brentwood, Essex
Brentwood. (0277) 211459 & 229123

Balanced Trusts and Income Trusts				
First Trust	157.2	166.6	+1.7	4.23
Growth & Inc Trust	100.5	106.4	+1.2	3.70
Capital Trust	186.3	197.5	+2.3	2.85
Balanced Trust	267.8	283.9xd	+2.9	3.84
Accum Trust	401.2	425.3	+5.2	3.29
American Income	28.6	30.3	-0.2	4.13
High Income Trust	174.1	184.5	+1.8	5.50
Equity Income Trust	93.6	99.2xd	+0.9	5.71
High Yield Trust	112.2	118.9	+1.0	6.59
Govt Secs Trust	28.1	29.4	+0.2	9.80
International Trusts				
International Trst	63.9	67.7	+0.2	1.74
Japan Trust	66.1	70.1xd	+0.2	0.01
Pacific Trust	122.7	129.6xd	-0.3	1.05
Amer Spc Sit Tst.	53.5	56.7	-0.4	1.18
Secs of Amer Tst	166.5	176.5xd	-1.4	1.31
Specialist Trusts				
Allied Asst Val	153.1	162.3xd	+1.6	3.89
Gilt Growth Tst	31.0	32.4	+0.2	3.49
Smaller Co Tst.	89.3	96.4xd	+0.4	2.97
2nd Smlr Co's Trust	126.6	131.3	+0.7	3.02
Recovery Trust	52.8	56.0	+0.6	3.30
Met. Min CdtyTst.	87.6	92.8	-0.1	3.18
O'seas Ernngs Tst.	146.2	155.0xd	+1.6	3.37
Technology Tst	86.0	91.1	+0.3	0.93
Exempt Trusts				
Income Ex. Tst.	96.7	102.5xd	+0.9	6.60
Far East Ex. Tst.	131.6	139.5	-0.1	1.00
Smaller Co Ex. Tst.	154.5	163.1	+0.9	3.12
U.S.A. Ex Tst.	272.9	289.2	-1.9	2.34

Anthony Wieler Unit Tst. Mgmt. Ltd.
19, Widegate St, London E1 7HP. 01-377 1010

Wieler Gwth Fd. Inc.	58.1	62.5		1.80
Do Accum.	78.8	84.7		1.80

Arbuthnot Securities Ltd. (a)(c)
131, Finsbury Pavement, EC2A 1AY 01-628 9876

Capital Growth	49.8	53.2xd	+0.3	2.00
Commodity	78.6	84.0	-0.4	2.34
(Accumulation)	130.6	139.6	-0.7	2.44
(10% Withdrawal)	43.4	46.4	-0.2	2.44
Eastern & Internatl	99.1	105.9	+0.6	1.40
(6% Withdrawal)	57.1	61.0	+0.3	1.40
Finance & Property	41.6	44.4	-0.1	2.50
Foreign Growth	63.5	67.8	+0.1	1.21
Gilt & Fixed	43.7	45.9		9.70
High Income	54.2	57.9	+0.4	6.73
High Yield	57.1	61.0xd	+0.3	4.01
Managed Fund	52.0	54.8	+0.2	—
North American	70.3	75.1	+0.9	0.92
Preference	24.3	25.9xd		11.78
Smaller Companies	82.0	87.7	+0.8	1.17
(Accumulation)	86.8	92.8	+0.8	1.17
World Penny Share	8.9	9.5	-0.1	1.35

Portfolio Trust

Britannia Group—Continued

General Funds				
UK Growth (Domestic)	30.0	32.0	+0.2	3.18
Exempt Funds				
Exempt	56.2	57.8	+0.8	4.22
Ex Mkt Ldrs	62.6	65.5xd	+0.8	3.38
NEL Trusts				
Nelstar Gilt & F.I.	66.2	67.9	+0.2	9.52
Nelstar High Income	57.2	60.2	+0.5	6.44

Brown Shipley & Co. Ltd. (a)(g)
9-17 Perrymount Rd, Haywards Hth 0444 458144

B.S. Fund	46.7	50.2	+0.2	4.47
B.S. Accum.	74.5	80.1	+0.4	4.43
Financial	89.4	95.1	+0.5	3.14
Growth Accum.	158.9	170.8	+1.1	—
Growth Income	104.4	112.2	+0.8	1.90
High Income	45.9	49.3	+0.5	6.21
Income	50.9	54.7	+0.7	5.20
North American	48.1	51.7xd	-0.2	1.45
Orient	50.5	54.3	+0.5	0.19
Recovery	25.4	27.3xd	+0.3	4.00
Technology	147.5	158.6	+1.1	0.48
Exempt	151.5	162.8	+1.5	3.70

Buckmaster Management Co. Ltd. (a) (c)
The Stock Exchange, EC2P 2JT 01-588 2868

General Inc Jan 3	154.6	162.3xd	3.74
Accum Units Jan 3	237.4	249.3	3.74
Income Jan 2	72.6	76.5	5.51
Accum Units Jan 2	118.6	125.3	5.51
Intl Jan 8	107.0	112.2	1.68
(Accum Units) Jan 8	138.6	145.3	1.68
Smaller Co's Jan 4	892.8	956.0xd	1.29
(Accum Units) Jan 4	933.6	999.7	1.29

Canada Life Unit Trust Mngrs. Ltd.
2-6 High St, Potters Bar, Herts. P Bar 51122

Can. Gen Dist.	86.7	91.2	+0.7	2.91
Do. Gen Accum	130.9	137.8	+1.2	2.91
Do. Income Dist.	59.0	62.1	+0.5	6.13
Do. Inc. Accum	112.7	118.7	+1.0	6.13
Gilt & Fxd. Int. Trust	34.1	35.9	+0.2	—

Cannon Fund Managers Ltd. (z)
1, Olympic Way, Wembley, HA9 0NB 01-902 8876

Growth	203.7	216.7xd	+1.3	3.68
Income	233.2	247.8.1xd	+1.1	5.14
Far East	125.4	133.4	-0.3	0.59
North American	113.6	120.9	+0.5	1.98

Capel (James) Mngt. Ltd.
100, Old Broad St, EC2N 1BQ 01-588 6010

Capital	243.9	256.8	2.66
Income	184.2	193.9	5.77
North American	245.8	258.8	1.03

Prices on January 2. Next dealing January 9.

Cater Allen Unit Tst Managers
1, King William St, EC4N 7AU. 01-623 6314

Cater Allen Gilt Tst	101.5	107.8	+1.0	11.26

Cent. Bd. of Fin. of Church of England‡‡
77 London Wall, EC2N 1DB. 01-588 1815

Inv Fd Dec 31	326.65	4.59
Fxd Int Secs Dec 31	132.40	10.80
Dep Fd Mnt Dec 31	100.0	9.70

Charinco Charities N/R Fund‡‡
15, Moorgate, London, EC2. 01-638 4121

Income Dec 31	153.98	10.13
Do Accum.	405.08	10.13

Charities Official Invest. Fund‡‡
77 London Wall, EC2N 1DB. 01-588 1815

Income Nov 30	280.05	5.32
Accum Nov 30	767.24	—

Chieftain Trust Managers Ltd (a) (g)
11, New St., EC2M 4TP. 01-283 1963

American	41.8	44.9	-0.2	1.25
Australian	20.1	21.5	-0.1	0.40
Far Eastern Tst.	64.3	68.7		1.12
Japan Trust	36.9	38.9	-0.1	0.31
High Income	39.5	42.3	+0.2	8.80
Intl. Trust	56.8	60.8	+0.3	0.77
Basic Resources Tst.	36.5	39.1	+0.1	1.35
Incm. Growth Tst.	38.1	40.8	+0.2	5.50
Pref. & Gilt Tst	18.2	19.5xd		12.73
Smaller Co's Trust	31.6	33.8		3.36
Global Recovery Trust	32.7	35.0		4.00
Special Inc. Sits.	31.2	33.4	+0.1	4.20

Confederation Funds Mgt. Ltd. (a)
50, Chancery Lane, WC2A 1HE. 01-242 0282

Growth Fund	157.8	166.1	+0.9	3.80

Framlington Unit Mgt. Ltd. (a)
3, London Wall EC2M 5NQ 01 628 5181

Amer & Gen	163.8	174.2	-0.8	—
(Accum. Units)	165.4	175.8	-1.0	—
Am Turnaround	166.4	177.0	+0.6	—
(Accum. Units)	170.0	180.8	+0.6	—
Capital Trust	137.0	145.0	+0.8	2.99
(Accum. Units)	160.0	170.0	+0.8	2.99
Convertible & Gilt	73.2	77.8xd		6.46
(Accum. Units)	91.4	97.2	+0.2	6.46
Extra Income Trust	105.2	111.8	-0.6	5.66
Income Tst	80.6	85.6xd	+0.6	5.43
Int. Growth Fd	132.8	141.2	-0.4	—
(Accum. Units)	145.2	154.8	-0.4	—
Japan & Gen Fd	56.0	59.4	+0.2	0.57
Monthly Income Fd.	53.4	56.6xd	+0.4	6.51
Recovery Trust	87.8	93.3	+0.2	2.48
(Accum. Units)	92.4	98.2	+0.2	2.48

Robert Fraser Trust Mgt. Ltd.
28b Albemarle St, W1. 01-493 3211

Robt. Fraser Ut. Tr.	63.8	67.8	1.80

Friends Prov. Trust Managers (a)(b)(c)
Pixham End, Dorking. Tel 0306 885055

F P Equity Units	153.2	162.1	+1.5	2.84
Do. Accum.	246.9	261.2	+2.4	2.84
FP Fixed Int Acc	105.9	113.2	+0.6	—
FP Stewardship Acc	118.5	125.4	+0.9	—

Funds in Court*
Public Trustee, Kingsway, WC2. 01-405 4300

Capital Jan 3	279.3	281.6	3.20
Gross Jan 3	113.7	117.7xd	9.68
High Yield Jan 3	154.6	160.1	7.57

*Unauth. Restricted to monies under Court control.

GAM Sterling Management Ltd
(Inv. Mngrs. Global Asset Mngt. Ltd.)
66 St James's St, London, SW1. 01-493 8111

GAM £ S Int Jan 4	116.8	123.0xd	1.4

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood.

Key Fund Managers Ltd. (a)(g)
57-63 Princess Street, Manchester M2 4EQ
061 236 5685

Key Equity & Gen (z)	155.1	166.6	+1.1	2.25
Key Income Fund	139.6	150.2	+0.4	6.46
Key Fixed Int. Fd.	56.6	60.8		11.63

Kleinwort Benson Unit Managers
20, Fenchurch St, EC3. 01-623 8000

L & C Unit Trust Management Ltd.
Piercy Hse. Copthall Ave, EC2R 7BE. 01-588 2800

L&C Inc. Fund	295.6	301.7	6.20
L&C Intl & Gen Fd	222.2	226.8	0.66

Lawson Fund Managers Ltd. (a) (c) (g)
43 Charlotte Sq, Edinburgh EH2. 031-225 6001

Legal & General (Unit Tst., Mngrs.) Ltd.
5 Rayleigh Rd, Brentwood. 0277 217238

Perpetual Unit Trust Mngmt. (a) (z)
48 Hart Street, Henley on Thames 0491 576868

Prolific Unit Trusts
222, Bishopsgate, EC2. 01-247 7544-7

Prudl. Portfolio Mngrs. Ltd. (a) (b) (c)
Holborn Bars, EC1N 2NH 01-405 9222

Quilter Management Co. Ltd.
31-45 Gresham Street, EC2. 01-600 4177

Reliance Unit Mgrs. Ltd.
Reliance Hse, Tunbridge Wells, Kent. 0892 22271

Ridgefield Management Ltd.
12, The Shrubberies, S. Woodford. 01-530 6203

Touche, Remnant Unit Trust Mngt. Ltd.
Mermaid Hse, 2 Puddle Dock, EC4 01-248 1250

TR American Growth	24.0	25.8	+0.1	0.67
TR Global Tech	26.8	28.6	+0.1	0.10
TR Income Growth	40.8	43.9xd	+0.4	5.11
TR Income Monthly	36.9	39.3	+0.2	7.99
TR Overseas Growth	35.6	37.9xd	-0.1	1.72
TR Smaller Co.	33.2	35.9	+0.2	2.58
TR Special Ops	31.7	33.7xd	+0.1	1.97

Trades Union Unit Trust Managers
100, Wood Street, EC2 01-628 8011

TUUT Jan 2	122.5	129.0	3.47

Transatlantic and Gen. Secs. (c) (y)
91-99, New London Rd., Chelmsford 0245-51651

Tyndall Managers Ltd.(a)(b)(c)
18, Canynge Road, Bristol 0272 732241

Waverley Asset Management Ltd (a) (c) (g)
13 Charlotte Sq, Edinburgh 031-225 1551

Australian Gold	19.0	17.8	-0.3	0.10

Whittingdale Unit Trust Managers
2 Honey Lane, EC2V 8BT. 01-606 9085/6

Short Dtd Gilt Fd	54.3	55.2	2.72

Wright Seligman Fund Managers Ltd.
20 Copthall Ave, London EC2R 7JD. 01-638 1626

Growth Fund	57.0	60.8	-0.5	—

Weekly dealing day Tuesday

INSURANCES

AA Friendly Society
(Investment Mngr M & G Inv Mngt Ltd)
PO Box 93, Cardiff CF1 4NW. 0222 35542

AA Friendly Sy Dec 9		75.8	—

Abbey Life Assurance Co. Ltd. (z)
1-3 St Paul's Churchyard, EC4P 4DX. 01-248 9111

Property Fund	214.9	226.3	—
Equity Fund	78.9	83.1	—
Property Acc.	278.6	293.3	—
Equity Acc.	81.6	85.9	—
Selective Fund.	201.8	212.5	—
Money Fund.	193.7	203.9	—
Prop. Fd. Ser 4	219.0	230.6	—
Equity Ser 4	87.3	91.9	—
Man. Ser 4	283.1	298.0	—
Conv./Money Ser 4	175.0	184.3	—
Fixed Int. Fd. Ser. 4	157.8	166.2	—
American Ser 4	206.3	217.2	—
High Inc. Ser. 4	207.1	218.0	—
Indexed Inv. Series 4	109.6	115.4	—
Japan Ser. 4	172.5	181.6	—
Pensions Property	346.9	365.2	—
Pensions Equity	526.3	554.1	—
Pensions Selective	208.5	219.5	—
Pensions Managed	459.5	483.7	—
Pensions Security	282.8	297.7	—
Pensions Fixed Int.	161.5	170.1	—
Pensions Indexed Inv	111.2	117.1	—
Pensions Japan	180.8	190.4	—

Albany Life Assurance Co. Ltd.
3, Darkes Lane, Potters Bar. 0707-42311

Equity Fd. Acc.	521.4	548.8	+4.4	—
European Fd Accum	118.0	124.0	+1.1	—
Fixed Int. Acc.	249.3	262.4	+1.4	—
Gtd. Money Fd. Ac.	180.1	189.6	+0.1	—

City of Westminster Assurance
Sentry House 500 Avebury Boulevard,
Central Milton Keynes MK9 2LA.
Tel 0908-606101/660888

Current Series				
Property Fund	104.3	109.8		—
Money Fund.	198.1	208.4		—
Managed Fund	320.4	337.3	+2.6	—
Equity Fund.	170.1	179.1	+2.5	—
Fixed Interest Fund	162.3	170.8	+0.8	—
Far East Fund.	141.3	148.8	+0.8	—
North American Fund	162.4	171.0	+0.7	—
Natural Resources Fund	124.3	130.9	+3.1	—
S U N Flag Fund	104.7	110.3	+0.9	—
Pension Managed Fund	301.5	301.5	+1.46	—
Pension Equity Fund	144.5	144.9	+0.8	—
PBR Fund	138.6	145.9		—

For other prices please telephone 0908 606101/660888

Clerical Medical/Fidelity International
Narrow Plain, Bristol, BS2 0JH 0272 290566

Investment Funds				
Mixed	100.1	105.4	+0.5	—
Equity	104.6	110.3	+0.9	—
Property	95.5	100.6		—
Gilt & Fixed Interest	95.4	100.5	+0.4	—
Indexed Securities	94.9	99.9	+0.4	—
Cash	95.9	101.0		—
North American	96.0	101.1	-0.6	—
Far East	94.6	99.6	+1.2	—
International	98.4	103.6	+0.2	—
Special Situations	100.4	105.7	+0.5	—
International Income	102.8	108.3	+0.1	—
American Income	102.3	107.7	-0.5	—

Prices on Jan 8. Daily Dealing

Flexible Retirement Plan				
Mixed	100.5	105.8	+1.3	—
Equity	104.1	109.6	+2.5	—
Property	97.9	103.1		—
Gilt & Fixed Interest	95.5	100.6	+0.2	—
Indexed Linked	95.0	100.1	-0.3	—
Cash	96.6	101.7		—
North American	95.1	100.2	-0.7	—
Far East	94.4	99.4	+1.4	—
International	96.5	101.6	+0.5	—
Special Situations	101.5	106.9	+0.6	—

Prices on Jan 9. Daily Dealing
For other prices telephone 0272 290566

Colonial Mutual Group

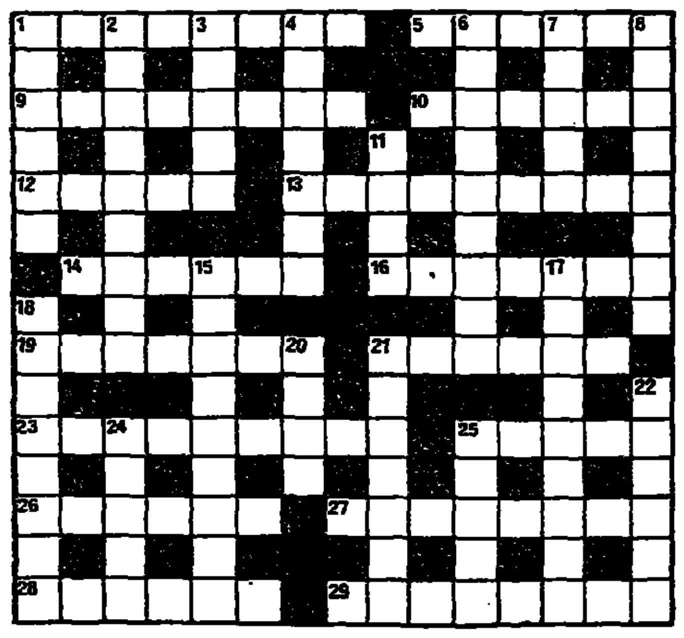
General Portfolio Life Ins. PLC
Crossbrook St, Cheshunt, Herts. Waltham X 31971

Gresham Unit Assurance Ltd.
2-6, Prince of Wales Rd., B'mouth. 0202 767655

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1132

Guardian Royal Exchange
Royal Exchange, EC3. 01-283 7101

F.T. CROSSWORD PUZZLE No. 5,613



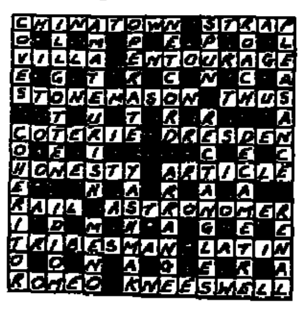
ACROSS

1 Strange virus one may be picked up on holiday (8)
5 Emigre beaten up by the authorities (6)
9 Have a leader killed (8)
10 Passed shuffled cards (6)
12 Northern block-house (5)
13 Not a fellow to mix with (9)
14 Earth reduced to dust? (6)
16 Expert required if skull is damaged (7)
19 Two points in a dog delight (7)
21 This drink can go a hundred years back (6)
23 Not the main course (9)
25 A sunny expression (5)
26 One is not keen to show it (6)
27 Is most upset about one hundred, yet shows indifference (8)
28 Gives up the struggle with crops (6)
29 When half-cut, Alfred gets unusual score in the open (8)

DOWN

1 A form of acceptance or resignation (6)
2 Profane line creates pandemonium (6, 3)
3 Time to inspire poets perhaps (5)
4 Anger over territory is nothing new to it (7)
6 Looking forward to being with child (9)
7 Country which might provide aid in some way (5)
8 Like a Christian festival in the Orient? (8)
11 A course at Oxford (4)
15 Left alone by those who seek advances (9)
17 Weaknesses revealed by restrictions too easily broken (9)
18 Final notice? (8)
20 Not the final temperature (4)
21 Weep over last broken glass (7)
22 Game and butter put in cob, perhaps (6)
24 Silly girl that is going out (5)
25 A highball for a winter sportsman? (5)

Solution to Puzzle No. 5,612



هكذا أصله الأصل

Liberty Life Assurance Co Ltd
Station Rd, New Barnet. 01-440 8210
Fund Managers, Touche Remnant & Co.
Sel Sec A 26.1 27.5
Blue Chip 28.0 29.4
Fixed Yield 19.7 20.8
Commercial Mtg 15.9 16.8
Managed 20.0 21.1
International 26.9 28.4
Property 16.7 17.6
Pacific 21.3 22.5
Equity 15.8 16.7
Special Sits 22.6 23.8
Int Currency 14.1 14.9
Index Linked Secs 11.1 11.7
American 20.7 21.8

Life Assur. Co. of Pennsylvania
6, New Rd, Chatham, Kent. Medway 812348
LACOP Units 14.30 15.08

Lloyds Life Assurance
20, Clifton St, EC2A 4HX. 01-920 0202
Multi Gwth Dec 6 £2.9777
Mmd Gwth St Dec 6 268.9 284.0
Op B Prop Dec 27 262.2 276.0
Op B Equity Jan 4 350.8 369.3
Op B Fd Jan 3 266.7 280.8
Op B Man Jan 3 336.4 354.2
Op B Dep Jan 3 200.2 210.8
Op B Bond Dec 27 183.8 193.5 11.85
Op B Inc Dist Jan 3 139.7 147.1 8.04
Op B Int Man Jan 3 204.1 214.9
Op B US$ Jan 3 162.2 170.8 12.12
Pens B Pr Ac Dec 31 343.7 361.8
Pens B Eq Ac Dec 31 1005.5 1060.0
Pens B FI Ac Dec 31 388.3 408.8
Pens B Mnd Acc Dec 31 399.9 420.9
Pens B Dp Acc Dec 31 218.8 230.4
PensBCurt Gtdy Dec 31 106.4 112.0
Pens B Gart NA Dec 31 101.6 107.0
PensBGartP 114.0 120.0
For Pension Capital Units please ring extension 319.

Britannia Funds—Series A
Am Smlr Co's Jan 8 124.6 131.2 +0.4
Am Spec Sits Jan 8 152.2 160.3 +1.4
Commodity Jan 8 76.6 80.7 -0.1
Extra Inc Jan 8 114.9 121.0 +0.2
Far East Jan 8 112.1 118.0 -0.3
FI Secs Jan 8 152.5 160.6 +0.9
Gold & Gen Jan 8 70.3 74.0 -1.5
Inc Growth Jan 8 154.9 163.1 +1.8
Intl Fund Jan 8 115.8 121.9 +0.7
Japan Perf Jan 8 155.9 163.5 -1.4
Japan Smlr Cos Jan 8 85.6 90.2
Nat High Jan 8 149.6 157.5 -0.8
Prop Shares Jan 8 118.8 124.9 -0.2
Wld Jan 8 112.7 118.7
Recovery Jan 8 146.9 154.7 +0.8
Smlr Cos Jan 8 172.2 181.3 +0.7
Gold Energy Jan 8 65.6 68.9 -0.3
World Tech Jan 8 134.9 142.0 -0.4
Man Growth Jan 8 147.8 155.6 -0.2
Gilt Jan 8 99.0 104.3 -0.8
UK Jan 8 91.0 95.8
Aust Growth Jan 8 126.5 133.2 -1.0

Gartmore Funds—Series A
American Jan 8 172.5 181.6 +0.2
Australian Jan 8 107.2 112.8 -1.7
British Jan 8 150.8 158.8 +0.7
E Commodity Jan 8 127.7 134.5
Extra Inc Jan 8 135.9 143.1
Far Eastern Jan 8 153.6 161.7 +0.8
Gilt Jan 8 97.9 103.1 -0.4
Global Strtgy Jan 8 207.5 218.5 +1.4
Gold Share Jan 8 60.8 64.0
High Inc Jan 8 148.9 156.8 +0.5
Income Jan 8 185.3 195.1 +0.4
Japan Jan 8 196.7 207.1 -2.0
Oil & Energy Jan 8 126.4 133.1 -0.6
Special Sits Jan 8 163.1 171.7 +0.4
UK Smlr Cos Jan 8 150.8 157.9 +0.3
Man Gth Jan 8 169.8 178.8 +0.7

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393
"Asset Builder" 75.6 80.1

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 588511
Money Mgr Dec 14 71.2 75.0
MM Flexible Dec 6 61.7 65.0

London Life
180, Temple St., Bristol, BS1 6EA. 0272-279179
Assurances
Equity 397.4
Fixed Int. 170.7
Property 197.2
Deposit 152.8
Mixed 234.5
Index Stock 113.8
International 130.3
Pensions
Equity (P) 351.5
Fixed Int.(P) 194.5
Property (P) 144.8
Deposit (P) 136.2
Mixed (P) 240.3
Index Stock (P) 122.7
International (P) 126.4

London & Manchester Group
Winslade Park, Exeter EX5 1DS. 0392 52155
Cap Acc
Investment Trust Fd 341.6 360.0 +1.3 402.4
Property Fd 119.5 131.7 136.6
Fixed Interest Fd 142.8 157.5 +1.1 361.0
Equity Fd 158.7 175.2 +1.7 176.0
International Fd 141.6 155.9 -0.7 166.6
Gtd Deposit Fd 141.1 154.6 155.4
Flexible Fd 204.5 225.7 +0.4 234.7
Moneymaker Fd — 198.9 +0.2
Capital Growth Fd — 525.0 +3.9
Exempt Inv Tst Fd 524.8 580.0 +0.5 592.1
Exempt Inv New Sts — 571.9 +0.5
Exempt Ppty Fd 196.5 216.8
Exempt Ppty New Sts — 213.2 220.9
Exempt Fixed Int Fd 218.2 222.8 -0.7
Exempt Equity Fd 145.0 160.0 +0.7
Exempt Gtd Dep Fd 108.9 120.3
Exempt Flex Fd 285.7 316.2 +0.3
Exempt Flex New Sts — 311.3 +0.3 321.9
Exempt Mixed Fd 113.5 116.1

M & G Group
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588
Amer Fund Bond (Acc) 139.2 147.2 -1.4
Amer Rec Bond (Acc) 207.0 217.4 -0.2
Amer Smlr Co Bd (Acc) 87.1 91.6 -0.6
Australasian Bd (Acc) 113.8 119.8 +0.4
Commodity Bond (Acc) 137.4 144.4
Deposit Bond (Acc) 191.3 201.0 +0.1
Equity Bond (Acc) 376.5 395.4 +2.2
Extra Yld Fd Bd (Acc) 208.2 219.3 +1.1
Far Eastern Bond (Acc) 129.1 135.7 -0.9
Gilt Bond (Acc) 193.1 202.8 -0.5
Gold Bond (Acc) 95.3 99.7 +0.9
High Yield Bond (Acc) 160.4 168.8 +1.0 6.21
Index-Linked Gilt Bd (Acc) 104.1 109.4 -0.1
Intnatl Bond (Acc) 260.0 273.1 +0.1
Japan Fund Bond (Acc) 134.1 140.9 +0.1
Japan Smaller Co (Acc) 110.8 116.5 -0.9
Managed Bond (Acc) 315.7 331.4 +0.9
Property Bond (Acc) 252.1 264.8 +0.2
Recovery Fd Bond (Acc) 177.5 180.2 +1.6
Family Bond (Acc) 520.0
Personal Pension (Acc) 870.3 +4.3
Flexible Pensions Funds
American Fund (Acc) 320.9 337.0 -3.0
Building Soc. Fd (Acc) 103.6 109.2
Deposit (Acc) 171.5 180.2
Equity (Cap) 237.3 249.2 +1.0
Equity (Accum.) 303.3 315.3 +1.4
Gilt (Acc) 240.5 252.7 -0.7
Gold (Acc) 81.7 85.9 +0.8
Index-Lnkd Gilt (Acc) 110.1 115.7 -0.1
International (Acc) 103.0 108.3
Japan (Acc) 118.9 124.9 +0.2
Managed (Cap) 208.4 218.9 -0.1
Do. (Accum.) 263.9 277.2 +0.3
PPP Fund (Acc) 279.5 290.4 +1.1
Pacific (Acc) 306.6 322.1 -0.6
Property (Acc) 132.6 140.4 +0.1
Recovery (Acc) 111.3 116.9 +1.1

MGM Assurance
MGM Hse, Heene Rd, Worthing. 0903 204631
UK Equity 136.9 142.1 +0.6
Do. Accum. 139.1 146.4 +0.3
Special Situations 115.6 121.7 +0.2
Do. Accum. 219.6 225.9 +0.2
North American 128.1 134.9 +0.4
Do. Accum. 131.4 138.4 +0.6
Pacific Basin 173.4 182.4 -0.3
Do. Accum. 180.9 190.5 -0.3
Fixed Interest 159.8 168.3 +0.5
Do. Accum. 166.6 175.3 +0.4
Property 107.5 113.2
Do. Accum. 111.2 117.1
Deposit 107.8 113.5
Do. Accum. 107.9 115.4 +0.1
Managed 133.8 140.8 +0.2
Do. Accum. 138.7 146.0 +0.2
Pension Funds
Pensions Equity 137.8 145.1 +0.5
Do. Accum. 143.3 150.9 +0.5
Pens. Spec. Sits. 118.9 125.2 +0.2
Do. Accum. 121.1 127.5 +0.2
Pens. North American 133.9 141.0 +0.4
Do. Accum. 135.2 142.4 +0.5
Pens. Pacific Basin 181.5 191.4 -0.3
Do. Accum. 187.2 197.1 -0.4
Pens. Fixed Int. 162.0 170.6 +0.6
Do. Accum. 171.2 180.3 +0.5
Pens. Property 112.9 118.9 +0.1
Do. Accum. 113.4 119.4
Pens. Deposit 112.3 118.2 +0.1
Do. Accum. 112.5 118.5
Pens. Managed 138.2 145.5 +0.2
Do. Accum. 145.2 152.9 +0.2

Manufacturers Life Insurance Co (UK)
St George's Way, Stevenage. 0438 356101
Managed 272.8 287.4
Property 212.8 224.0
Equity 386.6 407.0
Gilt Edged 283.0 297.9
Deposit 165.0 173.9
Investment 121.7 127.7
International 239.2 252.0
Pension Fund Prices
Managed Init. 197.6
Do. Accum. 208.5
Property Init. 178.5
Do. Accum. 190.1
Equity Init. 221.7
Do. Accum. 247.1
Gilt-Edged Init. 191.6
Do. Accum. 202.7
Guaranteed Init. 126.0
Do. Accum. 141.6
International Init. 297.3
Do. Accum. 317.4
Index Lk. Gilt Init. 118.1
Do. Accum. 133.0

Merchant Investors Assurance
Leon House, 233 High St., Croydon 01-686 9171
Property 292.2
Property Pens. 373.4
Equity 353.3
Equity Pens. 530.1
Money Market 237.1
Money Mkt. Pens. 415.6
Deposit 201.4
Deposit Pens. 289.5
Managed 212.5
Managed Pens. 354.4
Intl. Equity 257.5
Do. Pens. 305.8
Intl. Managed 220.9
Do. Pens. 277.6
North American 121.2
Do. Pens. 130.2
Far East 140.1
Do. Pens. 145.6
Intnl. Currency 134.1
Do. Pens. 157.3
Index Linked 113.8

Moneywise Friendly Society
80 Holdenhurst Rd, Bournemouth 0202 295678
Moneywise 59.2 63.0 0.3

Municipal Life Assurance Ltd
99 Sandling Rd, Maidstone. 0622 679351
Equity Fd 120.5 127.0
Managed Fd 113.8 119.8
Pens. Eq. Fd. 117.0 123.2
Pens. Mngd. F. 126.0 132.6
Pens. [illegible] 109.5 108.5

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 0306 887766
Nelex Eq. Cap. 199.2 209.4
Nelex Eq. Accum. 336.6 354.9
Nelex Gilt+F.I. Cap. 81.4 85.5
Nelex Gilt+F.I. Acc. 120.6 126.9
Nelex Gilt Inc Cap. 106.6 112.0
Nelex Gilt Inc Acc. 147.2 154.9
Nelex Managed Cap. 85.6 90.1
Nelex Managed Acc. 120.8 127.1
Nelex Deposit Cap. 72.0 75.7
Nelex Deposit Acc. 95.9 100.6
Nelex Int. Fxd. Int. Cap. 75.2 79.4
Nelex Int. Fxd. Int. Acc. 91.6 95.8
Nel Intl Eq. Sec. Cap. 46.3 48.8
Nel Intl Eq. Sec. Acc. 55.5 58.4
Next sub day January 23.

National Provident Institution
48, Gracechurch St, EC3P 3HH. 01-623 4200
Managed 194.1 204.4 +0.7
UK Equity 220.4 232.0 +1.3
Overseas Eq. 192.8 203.0 -0.6
American 193.4 203.6 -1.1
Far East 178.6 188.0 +0.4
Property 112.1 118.1
Fixed Int. 161.0 169.5 +0.5
Indexed Gilt 105.9 111.5 +0.2
Deposit 113.8 119.8 +0.1
Pension Fund Prices
Man. Initial 194.4 204.7 +0.9
Man Acc. 216.2 227.6 +1.0
UK Eq. Initial 206.6 217.5 +1.8
UK Eq. 226.5 238.5 +2.0
Overseas Eq. Initial 213.0 224.3
Overseas Eq. 245.0 257.9 +0.1
American Initial 222.3 228.5 -1.7
American 233.8 246.2 -1.9
Far East Initial 226.1 238.1 +0.6
Far East 249.8 263.0 +0.7
Prop. Initial 108.0 113.7
Prop. 119.0 125.3
Fixed Int. Initial 144.0 151.6 +0.5
Fixed Int. 158.0 166.4 +0.5
Indexed Gilt Initial 99.4 104.7 +0.2
Indexed Gilt 109.6 115.4 +0.3
Deposit Initial 112.4 118.4
Deposit 124.3 130.9
NPI Pensions Management Ltd.
Managed Fund 576.4 590.2
Prices Jan 2. Next dealing February 1

New Zealand Insurance PLC
110/114, Essex Avenue, Southend. (0702) 344555
Kiwi Key (Managed) 366.5 377.8 +1.7
UK Equity 165.2 173.9 +0.8
American 247.1 260.1 +0.5
Pacific 379.7 399.7 -1.1
Property 152.9 160.9 +0.2
Gilt 177.7 187.0 +0.7
High Inc. Equity 154.6 162.1 +0.7
High Inc. Fxd. Int 102.0 107.4 +0.9
Deposit 149.6 157.5
Index-Linked Gilt 102.5 107.9 +0.8

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200
NUIG (Managed Funds) Ltd.
Managed Fund 516.2 543.4 +3.3
Equity Fund 951.5 1000.6 +8.3
Property Fund 265.4 279.3
Fixed Int. Fund 283.7 298.6 +1.9
Deposit Fund 174.0 183.1
Norwich Union Life Insurance Society Pensionmaster & Unit-Linked Plns
Fixed Interest* 186.4 196.2
Ordinary Share* 258.8 272.4
Property* 132.9 139.8
Deposit* 128.0 134.7
Index Linked Secs.* 120.1 126.4
Mixed* 206.8 217.6
*Prices at Dec 18.
Nor Units Nov 27 544.2

Pearl Assurance (Unit Funds) Ltd.
252 High Holborn, WC1V 7EB. 01-405 8441
Inv. Prop. Dist. 138.6 145.9
Inv. Prop. Acc. 204.8 215.6
Inv. Equity 353.7 372.4
Inv. Managed 274.0 288.5
Pearl Assurance (Unit Linked Pensions) Ltd.
Pen. Managed 242.9 255.7

Phoenix Assurance Co. Ltd.
18 King William St, EC4N 7ER. 01-626 9876
Wealth Ass. 275.2 289.8
Ebr. Ph.Eq.E. 197.5 207.2

Pioneer Mutual Insurance Co. Ltd.
16, Crosby Rd., N. Waterloo, L'pool 051-928 6655
Managed Fund 212.8 224.8
Man Pens Inc Fd 252.9 266.4
Man Pens Cap Fd 252.9 266.6

Premium Life Assurance Co. Ltd.
Eastchester Hse., Haywards Heath 0444 458721
American Tech. Fd 129.0 130.8 -2.0
Building Soc. Fd. 129.0 136.8
Balanced 153.0 162.0
GT Managed 104.0 110.0
Deposit 128.0 135.0
Gilt 138.0 146.0 +1.0
High Inc. 101.0 107.0
Japan 145.0 153.0 +1.0
Nat Resources 85.0 90.0
Property 154.0 163.0
UK Equity 165.0 174.0 +2.0
Intl Equity 134.0 142.0
Jarrett Fd 29.0 31.0

Property Equity & Life Ass. Co.
Exeter Ave, Southend SS2 6QH. 0702 353433
R. Silk Prop. Bond 270.7
Int. Man.Crncy.Bd.Fd. 188.6
Flexible Prop. Bd. Fd. 118.5
Flexible Money Bd. Fd. 265.8

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606
Property Fund 289.0
Property Fund (A) 288.0
Agricultural Fund 1163.2
Agric. Fund (A) 1129.1
Abbey Nat. Fund 256.7
Abbey Nat. Fd. (A) 238.2
Investment Fund 156.2
Investment Fund (A) 152.8
Equity Fund 537.7 +7.1
Equity Fund (A) 521.5 +6.7
Money Fund 244.3
Money Fund (A) 231.3
Actuarial Fund 247.2
Gilt-Edged Fund 202.5 +0.9
Gilt-Edged Fd. (A) 202.5 +0.9
Retire Annuity 383.3
Immed. Ann'ty 190.5
International Fd 201.0
Bldg. Soc. Life Fd 115.6
Property Growth Pensions & Annuities Ltd.
All Weather Ac. Uts 300.2 316.0
Inv. Fd. Uts 357.1
Pension Fd. Uts. 289.9
Conv. Pens. Fd. 342.4 +0.2
Cnv. Pns. Cap. Ut. 295.0
Man. Pens. Fd. 410.3
Man. Pens. Cap. Ut. 365.7
Prop. Pens. Fd. 313.1
Prop.Pens.Cap.Uts 227.3
Bldg. Soc. Pen. Ut. 294.0
Bldg. Sec. Cap. Ut. 216.8
Gilts Pens. Fd. 188.1 +0.4
Gilts Pens. Fd. Cap. 155.0 +0.3
Equity Pens. Fd. 306.6 +4.0
Equity Pens. Fd. Cap. 282.3 +3.9
Intl. Pens. Fd. 116.8 +0.3
Intl. Pens. Fd. Cap. 112.3 +0.3

Providence Capitol Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111
Equity Acc. 124.4 131.3 0.2
Fixed Interest Acc. 94.5 99.6
Intnl. Acc. 89.1 94.0
Managed Acc. 102.6 108.2
Property Acc. 131.9 139.2
Money Acc. 79.2 83.6
Special Market Acc. 78.5 82.9
Japan Acc. 80.2 84.6
North America Acc. 80.3 84.8
Pacific Acc. 56.8 60.0
Technology Acc. 82.2 86.8
Nat. Resources Acc. 49.3 52.1
Japan Growth Acc. 110.9 117.0
Individual Pension Funds
Equity Acc. 119.1 125.7
Fixed Interest Acc. 98.4 103.9
Intnl. Acc. 103.6 109.3
Managed Acc. 100.9 106.6
Property Acc. 97.9 103.3
Money Acc. 76.2 80.4
Special Market Acc. 98.0 103.4
Japan Acc. 109.8 115.9
North American Acc. 101.9 107.5
Pacific Acc. 100.0 105.5
TechnologyAcc. 103.2 108.9
Natural Resources Acc. 81.5 86.0
Japan Growth Acc. 111.1 117.2
Group Pension Funds
Equity Acc. 390.8 412.2
Fixed Interest Acc. 280.6 295.5

Provident Mutual Life Assc. Assn.
Wilton Rd., Hitchin, Herts, SG4 0LP 0462-52991
Managed Ord. 156.3 164.5 +1.0
Managed Init. 145.1 152.7 +0.9
Equity Ord. 189.9 199.9 +2.1
Equity Init. 176.4 185.7 +1.9
Overseas Equity Ord 156.5 164.7 +0.4
Overseas Equity Init. 145.6 153.1 +0.5
Property Ord. 114.8 120.8
Property Init. 106.6 112.2
Fixed Interest Ord. 118.5 124.7 +0.5
Fixed Interest Init. 110.1 115.9 +0.5
Deposit Ord. 108.9 113.7
Deposit Init. 100.3 105.6
Pension Funds
Managed Ord. 168.7 177.6 +1.3
Managed Init. 156.7 164.9 +1.1
Equity Ord. 209.8 220.8 +2.6
Equity Init. 194.8 205.1 +2.4
Overseas Equity Ord. 166.5 175.3 +0.6
Overseas Equity Init. 154.6 162.7 +0.4
Property Ord. 121.5 127.7
Property Init. 112.6 118.5 -0.1
Fixed Interest Ord. 121.8 128.2 +0.5
Fixed Interest Init. 113.2 119.2 +0.7
Deposit Ord. 117.5 123.7 +0.1
Deposit Init. 109.1 114.8

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, EC2. 01-247 6533
Managed Fd 327.8 345.5 -1.8
Cash Fd. 173.2 182.4
Property Fund 178.6 188.2
Equity Fund 351.9 370.9 +1.0
Fxd. Int. Fund 196.1 206.7 +1.5
International 181.2 191.0
High Income 200.9 211.8 +1.4
Far East 212.7 224.3 -1.5
North American 208.8 222.2 -0.7
Special Sits. 256.6 270.4 +1.4
Technology 225.7 240.2 +0.1
Extra Inc Fd. 110.0 116.0 +1.1
Managed Pens. Acc. 259.7 273.4 +1.1
Deposit Pens. Acc. 156.5 164.8
Property Pens. Acc. 163.5 172.2
Fx. Int. Pens. Acc. 195.2 205.5 +1.8
Equity Pens. Acc. 315.4 332.0 +1.0
International Pens Acc. 152.7 160.8
High Inc Pens Acc. 184.5 194.3 -1.4
Tech Pens Acc 143.3 150.9 +0.1
N American Pens Acc 133.9 141.0 -0.5
Far Eastern Pens Acc. 188.2 198.2 -1.5
Special Sits Pens Acc 187.7 197.6
For Capital Unit and Other Prices ring 01-247 6533.

Prudential Assurance Co.
Holborn Bars, EC1N 2NH. 01-405 9222
Prudfund
Managed Jan 4 136.3 142.0

Prudential Pensions Limited
Holborn Bars, EC1N 2NH. 01-405 9222
Discretionary Fd Jan 2 £75.91 77.45
Equity Fund Jan 2 £78.71 75.99
Intl Fund Jan 2 £13.32 13.75
Fixed Int Jan 2 £44.40 45.19
Index Linked Jan 2 £38.31 38.81
Prop Fund Jan 2 £56.95 58.71
Cash Fund Jan 2 £13.0798 13.0798
Pre-Linked Retirement Plan
Managed Fund 178.8 186.3
Cash Fd 126.0 131.5

Reliance Mutual
Reliance House, Tunbridge Wells, Kent. 0892 22271
Equity Fund 164.0 172.6
Prop Fd. (1st Issue) 382.9
Prop Fd. (2nd Issue) 117.9 124.1
Managed Fd. 155.8 163.1
RL Pension Funds
Deposit Cap 100.5 105.8
Deposit Acc 105.6 109.1
Equity Cap 109.0 114.8
Equity Acc 112.5 118.5
Fixed Int. Cap 102.9 108.4
Fixed Int Acc 106.1 111.7
Gt Indx Lnk Cap 97.1 103.3
Gt Indx Lnk Acc 100.1 105.4
Managed Cap. 103.4 108.9
Managed Acc. 106.6 112.3

Royal Life Insurance Ltd.
New Hall Place, Liverpool L69 3HS 051-227 4422
Royal Shield Fd. 390.3 415.1 +2.3
Royal Life (Unit Linked Assurances) Ltd.
Managed Fund 161.5 169.9 +1.0
Equity Fund 190.4 200.4 +1.1
Property Fund 129.0 135.7
International Fund 218.2 229.6 -0.7
Pacific Basin 105.0 110.5 +0.3
United States Fund 102.4 107.7 -0.3
Royal Life (Unit Lnkd. Pension Fds.) Ltd.
Exempt Man. Fd. 149.6 157.4 +1.7
Exempt Equity Fd. 217.3 228.7 +2.6
Exempt Prop. Fd. 118.8 125.0
Exempt Intl. Fd. 273.6 287.9 -1.4
Exempt Gilt Fd. 124.2 130.7 +0.4
Exempt Money Fd. 116.5 122.6

St George Assurance Co Ltd
The Priory, Hitchin, Herts. 0462 57161
Managed Fd 126.3 133.0
Universal Fund 105.6 111.2

INSURANCE, OVERSEAS & MONEY FUNDS

Save & Prosper Group
28, Western Rd, Romford RM1 3LB. 0708-66966
Global Equity Fund (z) 96.0 95.9 +0.1
Bal. Inv. Fd. 288.4 303.1 -0.1
Property Fd. 288.3 305.1 +0.2
Gilt Fd. 232.7 246.3 -0.4
Deposit Fd.‡ 195.1 206.5 +0.2
Man. Pens. Fd 61.7 65.3 +0.1
EquityPens.Fd. 63.6 67.4 +0.6
Prop.Pens.Fd. 55.7 59.0 +0.2
A. E. Bond Fund (z) 72.7 77.0 +0.3
Dep Pen Fd. 52.2 55.3
Gilt Pens Fd. 51.9 54.9 -0.1
Global Eq Pens Fd 70.8 75.0
‡Weekly dealings.

Schroder Life Assurance Ltd.
Enterprise House, Portsmouth. 0705 827733
Equity 559.5 589.1 +1.1
Fixed Interest 255.7 269.3 +1.0
Managed 298.5 314.3 +0.6
Deposit 184.8 194.6 +0.1
Overseas 189.5 199.4 -0.8
Property 283.5 298.5
American 188.9 198.9 +2.3
Australian 124.6 131.2 -1.5
European 186.5 196.4 +0.6
Gilt & Fxd Int 139.1 146.5 -0.8
Income Accum 249.1 262.9 +1.0
Income Distrib 193.9 204.1 +0.7
International 186.5 196.4 +0.6
Japan Smlr Co's 115.5 121.7 -0.7
Singapore & Malay 138.6 146.0 -0.3
Smaller Co's 242.6 255.5 +0.4
Tokyo 214.9 226.3 -0.1
U.K. Equity 228.1 240.2 +1.2
CCM Vanguard Mngd 248.4 261.6 +2.6
Equity Pension 329.5 346.9 +0.8
Fxd Int Pension 207.6 218.6 +1.2
Guaranteed Pens 116.4 122.6
Index-Linked Pens 99.7 106.0 +0.1
Managed Pension 737.4 776.3 +2.0
Deposit Pension 113.8 119.9
Overseas Pension 192.8 203.1 -1.0
Property Pension 250.2 263.4
Special Ex Pension 192.7 202.9
Prices are for Life Series 4 Accum; Pension Series C Accum Jan 4.

Scottish Amicable Investments
150 St Vincent St, Glasgow 041-248 2323
Equity 220.9 232.6 +2.2
Fixed Interest 154.2 162.4 +1.1
International 183.1 192.8 -0.2
Property 120.0 126.4
Cash 121.5 127.9
Index Linked Gilt 105.9 111.5 +0.4
Managed 184.2 193.9 +1.2
Exempt Eq. Init. 165.5 174.3 +1.6
Do. Accum. 197.6 208.0 +2.0
Exempt Fxd. Int. Init. 138.8 146.2 +1.1
Do. Accum 165.7 174.5 +1.4
Exempt Intnl. Init. 136.5 145.7 +1.4
Do. Accum. 162.9 171.5 -0.6
Exempt. Prop. Init. 92.6 97.5
Do. Accum. 110.4 116.3
Exempt Cash Init. 106.0 111.6
Do. Accum. 126.5 133.2
Exempt Man. Init. 144.2 151.8
Do. Accum. 172.0 181.1

Scottish Equitable Life Assce. Soc.
31, St Andrew Sq, Edinburgh. 031 556 9101
Mixed 194.6 204.4 +0.9
Equity 208.2 219.2 +1.6
Property 115.0 121.1
Fixed Interest 120.5 126.9 +0.8
International 219.9 231.5 -1.2
Index Linked 103.3 108.8 +0.5
Cash 114.15 120.16 +0.03
Edinburgh Inv. 104.8 110.4
Edinburgh American 96.3 101.4 +2.3
Baillie Gifford Japan 105.7 111.3 +1.9

Scottish Life Investments
19 St Andrew Square, Edinburgh. 031-225 2211
Property 103.6 109.2
UK Equity 119.8 125.4 +1.4
American 123.3 129.9 -1.5
Pacific 113.1 119.1 +0.9
European 113.0 119.0 +1.2
International 116.7 122.9 +0.1
Fixed Interest 98.4 103.7 +0.4
Index Linked 101.2 106.6
Deposit 99.4 104.7
Managed 108.1 113.9
Pens. Property 105.9 111.6
Pens. UK Equity 124.5 131.2 +1.6
Pens. American 129.2 136.1 -1.8
Pens. Pacific 117.0 123.3 +0.6
Pens. European 116.9 123.2 +1.5
Pens International 121.8 128.3 +0.2
Pens. Fixed Int 100.2 105.5 +0.4
Pens. Index Linked 103.0 108.5 +0.3
Pens. Deposit 102.5 108.0
Pens. Managed 112.6 118.6 +0.2

Scottish Mutual Assurance Society
109 St Vincent St, Glasgow. 041-248 6321
Flex End Dec 24 587.5 605.5
Pen Mngd Nov 30 396.7 409.8

Scottish Provident Institution
6 St Andrews Sq, Edinburgh. 031-556 9181
Mixed 111.2 117.1 +0.4
Equity 119.0 125.4 +0.9
International 122.5 129.1 +0.1
Property 103.4 109.0
Fixed Interest 99.8 105.2 +0.5
Index-Linked 98.6 103.9 +0.2
Cash 101.1 106.5
Pens. Mixed Init. 109.1 115.0 +0.4
Do. Ord. 113.2 119.2 +0.4
Pens. Equity Init. 118.7 125.0 +0.9
Do. Ord. 122.9 129.4 +0.9
Pens. Intnl. Init. 121.8 128.4 +0.2
Do. Ord. 126.4 133.2 +0.2
Pens. Property Init. 102.0 107.5
Do. Ord. 105.8 111.5
Pens. Fixed Int. Init. 99.9 105.3 +0.5
Do. Ord. 103.4 108.9 +0.5
Pens. Index-Lnk. Init. 96.2 101.3 +0.2
Do. Ord. 100.0 105.3 +0.2
Pens. Cash Init. 100.3 105.7
Do. Ord. 104.2 109.8

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU. 031-655 6000
Inv Pol 1 Jan 4 317.9 317.9
Inv Pol 2 Jan 4 294.9 310.5
Inv Pol 3 Jan 4 291.0 306.4
Inv Cash Jan 4 159.3 167.7
Mixed Fund 170.4 179.4 +0.6
Equity Fund 192.3 202.4 +1.6
Property Fund 125.0 131.7
International Fund 150.8 158.9 +1.7
Fixed Int. Fund 153.5 161.7 -0.6
Index Stk. Fd 106.4 112.2 -0.5
Cash Fd. 118.5 124.8
Pens. Mixed Fd. Ord 195.7 206.1 +0.7
Pens. Equity Fd. Ord. 215.1 226.5 +1.8
Pens. Prop. Fd. Ord. 137.6 145.0
Pens. Int. Fd. Ord. 171.7 180.9 +1.5
Pens.Fxd.Int.Fd.Ord. 181.0 190.7 -0.6
Pens.Ind.Stk.Fd.Ord. 110.9 116.8 -0.2
Pen. Cash Fd. Ord. 136.6 143.9 +0.1
PM Man Dec 31 856.4 858.4
PM St Ex Dec 31 876.2 876.2
SM Prop Dec 31 134.5 134.5
Cash Dec 31 148.7 148.7
Ex Unit Acc Dec 19 395.7 408.6
Ex Unit Inc Dec 19 267.2 275.9

Skandia Life Assurance Co Ltd
Frobisher House, Southampton. 0703 334411
Managed 166.9 175.7 +0.4
Equity 176.7 186.1 +0.5
International 189.6 199.6 +1.4
Property 140.2 147.6
Pens Mngd 208.3 219.3 +0.8
Pens Equity 223.3 235.0 +0.9
Pens Intnl 250.7 263.9 +2.5
Pens Property 176.6 185.9
Unit Trust Funds
Arbuthnot Mngd 109.5 115.2 +0.3
Britannia Mngd 95.7 100.7
Framlington Mngd 98.2 103.3
Gartmore Mngd 103.3 108.7 +0.3
Henderson Mngd 102.8 108.2 +0.6
TSB Managed 100.1 105.5
Pens Arbuthnot 111.1 116.9 +0.4
Pens Britannia 108.6 114.3 +0.1
Pens Framlington 113.1 119.0
Pens Gartmore 117.8 129.9 +0.6
Pens Henderson 116.2 122.3 +0.7
Pens TSB 113.1 119.0
For other prices please phone 0703 334411

Standard Life Assurance Company
3 George St, Edinburgh EH2 2XZ. 031-225 2552
Managed 249.0 262.2 +3.1
Property 164.8 173.5
Equity 319.0 335.8 +4.3
International 242.8 255.6 +1.7
Fixed Interest 182.1 191.7 +0.5
Index Linked 102.7 108.2 +0.1
Cash 140.0 147.4
Pension Managed 307.8 324.0 +3.1
Pension Property 171.6 180.7
Pension Equity 408.0 429.5 +4.9
Pension Intl. 302.1 318.1 +2.2
Pension Fxd. Int. 196.1 206.5 +0.6
Pension Index Linked 104.5 110.0 +0.2
Pension Cash 163.7 172.4 +0.1

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141
Life Funds
Managed Fund 284.8 299.8 +1.0
Equity Fund 366.7 386.0 +3.5
Fixed Interest Fund 214.2 225.5 +0.9
Index Linked Fund 123.8 130.4 +0.7
Property Fund 229.9 242.0
International Fd. 230.5 242.7 -1.0
North America Fund 98.0 103.2 -0.7
Far East Fund 102.7 108.2 -0.2
Deposit Fund 153.6 161.7
Intl Bond Jan 8 £27.96 -0.66
Pension Funds
Managed 186.7 196.4 +1.0
Equity 198.9 209.4 +2.5
Fixed Interest 180.5 190.0 +1.0
Index Linked 144.0 151.6 +0.6
Property 134.2 143.4 +0.1
International 196.8 207.2 -0.8
Deposit 126.3 133.0 +0.2

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St, SW1Y 5BH. 01-930 5400
Maple Leaf Plans
Growth Account 557.5
Managed Account 317.9
Equity Account 585.8
Managed Fd. Accum. 151.9 159.9
Equity Fd. Accum. 175.5 184.8
Property Fd. Accum. 119.2 125.5
Fixed Int. Fd. Accum. 135.1 142.3
Intnl. Fd. Accum. 196.5 206.8
Money Fd. Accum. 113.6 119.5
Index-Ld.Sec.Fd.Accm 109.7 115.5
Pension Plans
Pers. Pens. Account 379.3
Pens. Mgd.Acc. Accum 269.7 284.0

Sun Life Unit Assurance Ltd.
St James Barton, Bristol BS99 7SL. 0272 426911
Managed Acc. 308.5 324.8 +1.7
Property Acc. 195.7 206.0
Equity Acc. 411.4 433.1 +1.9
Fixed Interest Acc. 177.0 186.4 +1.0
Index-Linked Acc. 100.5 105.8 +0.5
Cash Acc. 160.4 168.9
American Equity Acc. 176.0 185.3 +3.0
U.S. Bonds Acc. 109.9 115.7 -0.8
Japan Acc. 115.1 121.2 -0.4
Pacific Acc. 103.3 108.8 +2.3
Far Eastern Acc. 231.0 243.2 +0.3
International Acc. 227.3 239.3 +1.8
U.S. Dollar Acc. 109.0 114.8 -0.9
Yen Acc. 102.6 108.0 -0.5
European Currency Acc. 99.5 104.8 -0.1
Distribution 138.5 145.8 +0.1 10.18
Sun Life Pensions Management Ltd
Funds for individual pension contracts
Pens. Managed Acc. 292.2 307.6 +1.4
Pens. Property Acc. 153.2 161.3 +0.1
Pens. Equity Acc. 355.9 374.7 +0.7
Pens. F. Interest Acc. 166.2 175.0 +0.9
Pens. Ind. Lnkd. Acc. 101.6 107.0 +0.5
Pens. Cash Acc. 158.0 166.4
Pens. Amer. Equity Acc 144.2 151.8 +2.0
Pens. U.S. Bonds Acc 126.2 132.9 -0.9
Pens. Japan Acc. 117.3 123.5 +0.7
Pens. Pacific Acc. 112.0 117.9 +2.2
Pens. Far Eastern Acc. 370.7 390.3 +0.3
Pens. Internat. Acc. 273.0 287.4 +3.1
Pens. U.S. Dollar Acc. 115.1 121.2 -1.2
Pens. Yen Acc. 106.7 112.4 -0.8
Pens. Euro. Curr. Acc. 100.3 105.6 -0.1

Swiss Life Pensions Ltd
99-101 London Rd, Sevenoaks. 0732-450161
Equity £161.24 166.27
Fixed Int. £121.48 122.09
Index Linked £106.81 107.34
Property £152.28 156.98
Cash £112.19 112.19
Mixed £154.23 158.99
Next sub day February 1.

TSB Life Ltd
PO Box 3, Keens Hse, Andover, Hants SP10 1PG 0264 62188
Managed Fund 117.3 123.6 +0.3
Property Fund 103.5 110.9
Fixed Int Fund 107.7 113.5 +0.3
Money Fund 104.3 109.8
Equity Fund 140.5 148.0 +0.3

Target Life Assurance Co. Ltd.
Target House, Gatehouse Road, Aylesbury, Bucks. Aylesbury (0296) 5941
Managed 291.8 306.9 +2.8
Property 239.4 252.1
Fixed Int. 157.2 165.5 +1.3
UK Equity 281.1 295.9 +2.6
Int. Equity 224.7 236.6 -0.5
Deposit 139.4 146.8
American Eagle 103.5 109.0
Technology 80.9 85.2 -0.3
U.S. Special Bond 119.3 125.6
Pacific 111.6 117.5 -1.2
Australian 104.4 109.9 -0.8
Japan 160.1 168.6 -0.6
Malaysia & S'pore 113.0 119.0 -0.7
Commodity 115.1 121.2
Energy 74.9 78.9 -0.4
Gold 108.6 114.4 +0.3
Financial 137.1 144.4 +0.5
Income 152.2 160.3 +0.7
Special Situations 171.5 180.6 +1.1
Preference 106.9 112.6 -0.1
Managed Currency 77.9 82.1 +0.1
Sterling — 8.5
Pension Funds
Managed Pension 767.9 808.4 +3.4
Gilt Pens. 290.7 306.0 +1.5
Property Pens. 332.5 350.1 +0.3
Equity Pens. 298.0 313.7 +0.1
American Pens. 0.0 0.0
Technology Pens. 0.0 0.0
Japan Pens. 0.0 0.0
Australian Pens. 0.0 0.0
Commodity Pens. 0.0 0.0
Energy Pens. 0.0 0.0
Gold Pens. 0.0 0.0
Index-L. Pen. 103.5 113.3 +0.2
Gntr. Pen. 208.2 219.2 +0.1
Currency Pens 0.0 0.0
Prices quoted are for Accumulation units.

Transinternational Life Ins. Co. Ltd.
55-57, High Holborn, WC1V 6DU. 01-831 7481
Series 2 Man. Fd 203.3 213.9
Series 2 Equity Fd. 252.2 265.6
Series 2 Prop. Fd. 198.5 208.9
Series 2 F-ed Int. Fd. 186.3 196.1
Series 2 Money Fd. 136.6 143.7
Series 2 O'seas Fd. 176.0 185.2
Tulip Invest. Fd. 399.4 420.5
Tulip Managed Fd. 280.8 295.5
Managed Inv. Fd. Int. 199.5 209.9
Managed Inv. Fd. Acc. 231.5 243.6
Man. Pen. Fd.Cap. 313.2 329.8
Man.Pen. Fd.Acc. 403.0 424.2

Trident Life Assurance Co. Ltd
London Road, Gloucester. 0452 500500
Managed 243.2 256.1 +1.4
Gtd. Mgd 246.0 259.1 +1.5
Property 294.9 310.5 +2.6
American 210.9 222.1 -1.1
U.K. Equity Fund 253.8 267.3 +2.5
High Yield 292.4 307.9
Gilt Edged 209.8 220.9 +1.6
Money 202.4 213.2
International 168.8 177.6 +0.3
Fiscal 237.3 249.9 +1.4
Growth Cap. 270.8 249.0 +1.2
Growth Acc. 280.2 295.0 +1.5
Pens. Equity Acc. 314.7 331.4 +2.9
Pens. Mngd. 327.2 344.5 +1.8
Pens. Gilt Edged 236.2 248.8 +2.5
Pens Dep 220.3 232.0
Pens. Pty. 296.7 312.5
Swiss Bond Fund 105.3 110.9
Woolwich Fund 109.6 115.4
Tri Inv. Bond 87.5 92.0

Tyndall Assurance/Pensions
18, Canynge Road, Bristol. 0272 732241
3-Way 247.5
Do. Pens. 356.8
Equity 374.8
Bond 296.2
Property 184.7
Overseas Inv. 164.2
UK Inv. 346.6
Deposit 203.1
Man. Pen. 3-W 397.6
Equity Pen 665.0
Bond Pen 378.2
Prop. Pen 185.8
Dep. Pen 275.2
New Series.(z)
U.K. Equity 174.0 183.2 +0.9
Nth. American Eq. 148.7 156.6 -0.1
Far East Eq. 206.8 217.7 -1.2
Fixed 142.8 150.4 -0.2
Cash Deposit 111.0 116.9 +0.1
Property 98.7 103.9
Special Opp. 193.5 203.7
Managed 166.3 175.1 -0.1
Index Linked Fund 109.0 114.8 -0.5
Star Mngd 1
Star Mngd 2 150.7 158.7 -0.3
Star Mngd 3 160.4 168.9 -0.5
Star Mngd 4 153.6 161.7
Star Mngd 5 157.4 165.7 -0.4
Star Mngd 6 140.3 147.7 -0.1
Star Mngd 7 141.2 148.7
Pension New Series(z)
UK Equity (Acc) 186.6 196.5 +1.3
N. Amer (Acc) 156.1 164.4 -0.1
F. East Eq (Acc) 212.4 223.6 -1.5
Fixed Int (Acc) 148.0 155.8 -0.8
Cash Deposit (Acc) 118.7 125.0
Property (Acc) 104.4 109.9
Index Link (Acc) 115.2 121.3 -0.3
Managed (Acc) 174.4 183.6 -0.1

Vanbrugh Life Assurance
41-43 Maddox St., Ldn. W1R 9LA 01-499 4923
Managed Fd. 329.5 346.9 +1.7
Equity Fd. 620.0 652.7 +6.1
Intnl. Fd. 247.4 260.5 -0.9
Fixed Int. Fd. 278.2 292.9 +1.1
Prop. Fd. 238.6 251.2 +0.1
Cash Fd. 188.3 198.3 +0.1

Vanbrugh Pensions Limited
41-43, Maddox St., Ldn. W1R 9LA 01-499 4923
Managed 294.0 301.5 +2.0
Equity 395.8 416.7 +4.9
Global Equity 126.9 133.6 -0.1
Fixed Interest 248.9 262.1 +1.2
Property 205.7 216.6
Index Linked Gilt 113.2 119.2 +0.3
Guaranteed 9.87 +0.31
International Money 136.9 144.2 +0.8

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144
Investor Units 174.0 183.2
Accum. Pen. Units 311.3 327.7
Flex. Inv. Growth 175.8 185.1
N. Amer. Fund 196.2 206.5
Fut.Ass.Gth. 114.0(a) 112.0(a)
Ret. Ass. Pen. 61.09
Far East Fd. 156.3 164.5

OFFSHORE AND OVERSEAS

Actibonds Investment Fund SA
37 rue Notre Dame, Luxemb'g. Tel. 47971
Actibonds Inc. $20.53

Adig Investment
Postfach 708, 8000 Munich 1, Telex 524269
Adirenta DM23.45 24.15 -0.03
Adiverba DM98.39 103.58 +2.21
Fondak DM43.02 45.17 +0.59
Fondis DM39.12 41.08 +0.26

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933
Albany $ Fd. (CI) $225.43 228.43 1.31
Next dealing January 11.
For Allen Harvey & Ross see Cater Allen

Alliance Capital Management Intl Inc
62-63 Queen St, London, EC4. 01-248 8881
Alliance International Dollar Reserves
Distribution Dec 21-26 (0.0012933) (10.31% pa)
Health Care Jan 2 $8.47
Tech Jan 2 $16.22
Quasar Jan 2 $41.74

Arbuthnot Securities (C.I.) Ltd. (a)(c)(h)
P.O. Box 428, St. Helier, Jersey. 0534 76077
Dollar Income Tst (z) $0.997 1.045xd +0.005 11.48
Gov't Secs. Tst. 75.3 78.9xd +0.3 12.67
Yen Bond* Y202 211 5.69
Sterling Fxd 173.4 173.5 +0.2
Japan Growth* 222.2 238.9 0.42
Next dealing *Jan. 10. †Jan. 16.

Aries Fund Managers Ltd.
PO Box 284, St Helier, Jersey. 0534 72177
Sterling Fd. Inc. £9.94 10.00xd 10.03

B.I.A. Bond Investments AG
10, Baarerstrasse CH6301, Zug, Switzerland
Barer Std Dec 19 SF10.830 11,400

Baerbank (Overseas) Ltd.
Butterfield House, Grand Cayman
Liquibaer J. Baer SFd. $1,263 1,264 +1

Bamford Brandt Guernsey Mngt. Ltd.
PO Box 71, St Peter Port, Guernsey 0481 26541
Tech and Comm. £7.20 7.64
Int. Growth £13.04 13.83
Pac. Basin Fund £21.32 22.62

Bank of America International S.A.
35 Boulevard Royal, Luxembourg GD
Worldinvest Inc. $114.59 115.17 -0.44 9.58
Valued weekly on Wednesdays

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741
Unigilt Trust £41.4 43.7 11.10
Unidollar Trust $14.57 15.23 0.60
Unibond Trust $87.64 88.37 +0.08 11.10
1, Thomas St, Douglas, Isle of Man 0624 23252
Uni-Australian Tst. 79.8 84.9xd 1.30
Uni-Aust. Mineral Tst 57.3 61.00 -5.60 1.80
Uni-Pacific Trust 210.3 223.8
Uni-International Tst. 86.9 92.5 0.40

Bishopsgate Commodity Ser. Ltd.
PO Box 42, Douglas, IoM. 0624-23911
ARMAC* Jan 7 $49.74 52.83
COUNT** Jan 7 £3.605 3.823 1.37
Original issue *$10 and **£1. Next value Feb 4.

Bridge Management Ltd.
GPO Box 590, Hong Kong
N'brnt Dec 31 Y4,940 5,080 4.948
Nippon Fd Jan 2 $28.82 30.10xd 0.40

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street, St Helier, Jersey CI. 0534-73114
U.S. Dollar Denominated Funds
AmSmallerCos.Fd $1.709 1.838 +0.001
Dollar Inc Fd $0.804 0.860xd +0.001 11.00
$ Mngd Curr'cy Fd $8.20 8.64xd 5.20
Intl High Inc $2.028 2.181xd +0.019
Gold Fund $0.651 0.716 +0.012 3.15
Jap. Dollar Perform. $0.921 0.990 +0.005
Normandie In SFd $10.17 10.94
Universal Grwth Fd $0.807 0.868xd +0.012 1.15
World of Leisure $0.888 0.956 +0.007
World of Tech $0.680 0.731 -0.007
Managed Portfolio $0.881 0.952 +0.008
Sterling Denominated Funds
American Invest 109.5 117.7 -0.6 1.90
Australian Perf Fd 91.8 98.7 -0.3
Far East Fund 120.7 129.8xd -0.6 1.12
Jersey Energy Tst 13.4 14.4xd -0.1
Jersey Gilt £21.0 22.4 +0.1 12.28
UK Growth Fund 62.4 67.1xd +0.8 2.52
US$ Fund 137.9 148.3 +0.7 1.00
Managed Portfolio 1.0238 1.122 +0.001
Sterling Deposit Funds
Mngd Currency (Inc.) £14.32 15.08 -0.02 5.50
Cap Dep Tst £17.62 17.65

Britannia Fund Managers IoM
Gilt Trust (I.O.M.) 97.8 103.0 12.21
All Jersey Funds Deal Daily Except ***Tuesday Weekly—Capital Return 8.11%.

Brown Shipley Tst. Co. (C.I.) Ltd.
PO Box 583, St Helier, Jersey. 0534 74777
Sterling Bond (b) £10.17 10.30xd +0.19 11.08
Sterling Cap £18.17 18.18 +0.01
Intl. Bond Inc $10.36 10.93
Int Currency £1.13 1.20

Butterfield Management Co. Ltd.
PO Box 195, Hamilton, Bermuda.
Buttress Equity Acc. $4.37 4.58
Buttress Inc Acc. $3.48 3.60
Prices at Dec 27. Next sub day Jan 4.

CAL Investments (IoM) Ltd
16 St Georges Street, Douglas, IoM. 0624 20231
CAL C & C* 69.2 72.8
CAL Metals* 65.1 69.0
CAL Silver** 189.3 200.2 +5.1
CAL Gold** 65.8 69.3 +1.1
CAL Copper** 103.2 108.6 +1.0
CAL Aluminium** 65.8 69.3 +0.7
*Dealings Monday. **Dealings daily.

CAL Investments (Bermuda) Ltd
PO Box 1022, Hamilton, Bermuda. (809-29) 55950
CAL CTR Fund 51.81 54.5
CAL Futures Fund 92.11 94.0

Capital International Fund S.A.
43 Boulevard Royal, Luxembourg
Capital Int. Fund $33.36

Capital Preservation Fund Intl.
14 rue Aldringen, Luxembourg 1118
Cap Pres Fund $11.09 +0.01

Cater Allen Investment Management (C.I.)
29a Broad St, St Helier, Jersey, CI. 0534 78098
CA Dollar Inc Fd $10.13 10.15xd 10.84
C.C. Gilt Edg Fd £12.84 12.92 +0.11 11.22

Charterhouse Japhet
1 Paternoster Row, EC4. 01-248 3999
Emperor Fund $8.20 8.65 -0.18
Euro Global Inv Fd. $38.70 40.65 4.80

Charterhouse Japhet Currency Mngt. Ltd.
PO Box 189, St Helier, Jersey. 0534 74689
Central Assets Currency Funds Ltd.
£ Sterling £13.24 8.89
US$ $12.92 +0.01 7.73
D Marks DM48.63 +0.01 4.95
Sw Francs SF41.86 +0.01 1.82
Fr Francs FFr141.44 +0.04 10.11
SDR's 318.39 +2.33 7.375
For Chieveley Commodities (IoM) see Normandy Trust Managers

Citibank (CI) Ltd "Citifunds"
Green Street, St Helier. 0534-70334
U.S. $ Fund $11.486 +0.019
£ Sterling Fund £5.690 +0.002
Swiss Francs SF20.444
Japanese Yen Fund Y2,165.047 +0.314
Deutsche Fund DM21.180 +0.003
Managed Fund $10.840 +0.002
"Citicare"
CiticareFund Dec 31 10.467

Commodity Advisory Service (IoM) Ltd
48 Athol Street, Douglas, IoM. 0624-20845
Comm. & FF Acc. 42.10 43.85
Comm. & FF Fund 42.10 43.85
Next dealing date January 7.

Cornhill Ins. (Guernsey) Ltd.
PO Box 157, St Peter Port, Guernsey
Intnl Man Fd Nov 25 356.5 388.0

Cortexa International
10a, Boulevard Royal, Luxembourg.
Cortexa Intnl. $30.48 -0.31

Craigmount Fixed Int. Mngrs. (Jersey)
P.O. Box 195, St. Helier, Jersey. 0534 27561
Gilt Fund Ltd.) 84.9 85.0 11.75
Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Grueneburgweg 113, 6000 Frankfurt
Investa DM41.93 44.05 +0.45

Delta Group
PO Box 3012, Nassau, Bahamas
Delta Inv Jan 4 $4.39 4.61
London Agents: Kleinwort Benson. Tel: 01-623 8000

Deutscher Investment-Trust
Mainzer Landstrasse 11-13, 6000 Frankfurt
Concentra DM23.81 24.41
Int. Rentenfonds DM91.17 93.45

Drexel Burnham Lambert
77, London Wall, London, EC2. 01-628 3200
Winchester Diversified Ltd. NAV Nov 30 $19.07.
Winchester Financial Ltd. NAV Dec 31 $8.94.
Winchester U.S. Reserves Ltd. Current yield 9.55.
Finsbury Group NAV (Dec 31) $109.95.

Dreyfus Intercontinental Inv. Fd.
PO Box N3712, Nassau, Bahamas.
NAV $30.73 32.69

Duncan Lawrie Inv. Mgt. Ltd.
Victory Hse, St Peter Port, Guernsey. 0481 28034
DL Sterling 70.3 73.8 6.00
DL International $1.32 1.39 4.30

Dun & Hargitt Group
6 Ave Lloyd George, 1050 Brussels. 02/640 32 80
Commodity Pool $273.86
Currency & Gold Pool $175.33

EBC Trust Company (Jersey) Ltd.
1-3 Seale St, St Helier, Jersey. 0534-36331
International Income Fund
US$ Dep Short A $1.4578 +0.0002 9.66
Do. Dist $0.9948xd +0.0001 9.66
Med.Cur.Shrt term B $1.1217 +0.0050 8.00
Do. Dist $0.8560xd +0.0046 8.00
Eurobd.Long Term $23.14xd 10.80
European Banking Traded Currency Funds*
Income $9.71 10.011 +0.051 8.26
Capital $10.32 10.639 +0.051 8.26
Sterling Prices Indication Only
Income £8.40 8.66 -0.05 8.26
Capital £8.95 9.20 -0.06 8.26
*Offer price includes 3% prelim. charge.

The English Association
4 Fore Street, EC2. 01-920 9120
E. A. Income Fd.* 54.0 55.9 8.00
E. A. Sterling* £98.51 98.52
E. A. UK Gilt Fd 80.3 82.5
E.A. Far East** $9.54 10.10
*Next dealing January 9. **Next dealing January 4.

Ermitage Management Ltd.
19 Royal Square, St Helier, Jersey, CI. 0534 76007
External Fund $17.30 17.47
Cash Fund $21.07

Ermitage Management Cayman Ltd.
PO Box 2192, Grand Cayman, B.W.I.
Cayman Cash Fund $10.13

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent: FFS, Salisbury House, London Wall EC2M 5TA. Tel. 01-920 0776 Telex 887281
Europe-Obligations $42.12 -0.07 1.29

Eurotax Investments Ltd.
1, Athol Street, Douglas, Isle of Man. UK Agents FIS St Albans. 0727 33166
Eurotax In.Fd. 95.29 100.31 +3.21

Fidelity International
9 Bond St, St. Helier, Jersey, CI. 0534 71696
Dealers: 33201. PO Box 670, Hamilton, Bermuda.
American Assets (z) $61.16 64.22 -0.01 0.92
Am Val Cum Pf $3* $100.25 3.0
Am Val Com* $70.57
Australia (z) $7.60 7.98 -0.17
$ Bond Fund (z) $5.08 5.33 +0.02 10.9
Far East (z) $18.64 19.60 -0.30 0.54
Frontier (z) $11.76 12.35
International (z) $50.05 52.55 +0.12 0.60
Orient Fund (z) $24.48 25.70 -0.36
Pacific (z) $130.09 136.59 -1.46 0.27
Special Growth (z) $13.56 14.34 -0.14
Worla (z) $27.86 29.25 -0.02 1.40
Gilt Fund (z) 25.1 25.7xd 10.7
American Inc. Tst. (z) 99.8 103.1 -0.9 6.7
Intnl. Inc. Tst. (z) 87.8 92.5 -0.6 7.0
$ Fixed Int. Tst. (z) 50.9 53.1 +0.3 12.4
Sterling American (z) 70.4 74.2 -0.2
*Prices at December 31.

Fleming Group
Ldn. Agents R.F., 8 Crosby Sq., EC3. 01-638 5858.
Fleming Amer Fleds $10.35 10.83 -0.19
Fleming Japan Fund $80.18 84.23
Fleming Internal Fd $9.94 10.35 -0.18

Forbes Securities Management Ltd.
PO Box 887, Grand Cayman, BWI
London Agents: 01-839 3013
Gold Inc $8.32 8.79 15.67
Gold App $4.76 5.02
Dollar Inc $7.99 8.29 11.295

Foreign & Colonial Management Ltd.
1, Laurence Pountney Hill, EC4. 01-623 4680
F&C Atlantic Jan 2 $10.19 1.47
European Jan 2 $9.59
F&C Oriental Jan 2 $24.59
Weekly dealings.

Framlington Overseas Fund Mngt. Ltd.
PO Box 71, St Peter Port, Guernsey. 0481-26541
Far East Fund £0.593 0.624
Overseas Growth £0.647 0.681

Frankfurt Trust Investment—GmbH
Wiesenau 1, D-6000 Frankfurt.
FT-Interzins DM41.50 42.74 +0.01
Frankft. Effekt. Fd. DM83.59 87.99 +0.84

Free World Fund Ltd.
Butterfield Bldg, Hamilton, Bermuda.
NAV Nov 30 $189.81

Frobisher Fund NV
PO Box HM1735, Hamilton, Bermuda. 809 295 7447
NAV Dec 31 $26.57 26.84

G. T. Management (U.K.) Ltd.
8th Floor, 8 Devonshire Sq. London, EC2M 4YJ. Tel: 01-283 2575. Tlx: 886100.
London Agents for:
Anch Gilt Edge £9.32 9.37xd +0.03 11.53
Anchor Int. Fd $7.79 7.80xd
Berry Pac Fd. $39.37 -0.13 0.90
Berry Pac Strlg £10.03 10.55 1.34
GT Applied Science Fd £14.26 -0.03 0.07
G.T. Asia Fd. $3.81 -0.02 1.04
G.T. Asia Sterling £50.18 52.71xd 1.35
G.T. Australia Fd. £23.19 -0.39 0.37
G.T. Bond Fund $9.92xd -0.01 8.36
G.T. Dollar Fd $13.09 -0.07 1.14
G.T. Dir. (Strlg.) Fd £23.28 24.46 1.15
G.T. Europe Fund $9.06 +0.05
G.T. Global Tech Fd $11.74 -0.11
G T Honshu Pathfinder $23.57 -0.29
G.T. Invest. Fd. $16.21 -0.03 0.61
G T Japan Small Cos. $41.36 0.15
G.T. Technology Fd. $24.79 -0.22
G.T. Pacific Fd $16.76 -0.15 2.14
G T Ascan Hk Growth $12.05 3.82
G.T. South China Fd. $13.81 +0.07 1.73

Gartmore Fund Managers Ldn. Agents
2, St. Mary Axe, London, EC3. 01-623 1212

Gartmore Fund Managers International Ltd.
6 Caledonia Place, St Helier, Jersey. 0534-27301
Capital Strategy published Co News page Sats.

Gartmore Fd Mngrs (Far East) Ltd (a) (b)
1608 Hutchison Hse, 10 Harcourt Rd, Hong Kong
Australia Tst Mon. $3.923 3.996 1.30
Japan Fd Tue. $31.169 33.469 -0.75 0.60
N American Tst Wed. $21.468 23.059 0.60
Intl. Bond Fund Thu. $8.856 9.331 7.6
HK & Pac.U.Tst Fri. HK$8.228 8.791 2.6

Gartmore Fund Managers (IOM) (a)
PO Box 32, Douglas, Isle of Man. 0624 23911
Intl. Inc. Thurs. 20.3 21.6
Intl. Grth. Thurs. 284.4 302.6 0.60

Assicurazioni GENERALI S.p.A.
PO Box 132, St Peter Port, Guernsey, CI.
Sterling Managed Fd £146.58 154.30
Dollar Mngd. Fd $159.61 168.02

Global Asset Management Corpn.
PO Box 119, St Peter Port, Guernsey 0481-28715
GAM Worldwide $138.99
GAMerica $118.64
GAM Boston $80.30
FuturGAM $113.38
GCM Tyche $106.57
GAM Ermitage $12.09
GAM Pacific $112.65
GAM Arbitrage $116.22

Granville Management Limited
PO Box 73, St Helier, Jersey. 0534 73933
Granville Inv Tst 112 118xd 0.85
Next dealing day January 9.

Grieveson Mgmt (CI)—Barrington Fund
41 Don St, St Helier, Jersey 0534 75151
Intl Inc Jan 3 122.8 127.7 5.83

Grindlay Henderson Mngt Ltd.,
PO Box 414, St Helier, Jersey. 0534 74248
Managed Fund $11.6068 $12.1871 -0.0297
Managed Acc $11.8076 12.3980 -0.0293
Sterling Fund £10.0251 +0.0031
Sterling Acc. £11.2401 +0.0035
US$ Fund $20.0385 +0.0047
US$ Acc $22.5853 +0.0051
DM Fd DM52.8883 +0.0080
SF. Acc. SF52.0319 +0.0067
Yen Acc. Y5,356 +1

GRE International Invest Mgrs Ltd
PO Box 194, St Helier, Jersey. 0534 27441
Man Cur Fund £11.43 +0.071

Guinness Mahon Int. Fund (Guernsey)
PO Box 188, St. Peter Port, Guernsey. 0481 23506
U.S.$ Price (Port) $18.79 19.28 8.30
£ Sterling Equivalent £16.39 16.90 10.00
U.S. $ Price (Accum.) $21.87 22.45
£ Sterling Equivalent £19.08 19.67
Currency Deposit Shares
Dollar $22.960 +0.005 8.04
Sterling £11.190 +0.003 8.66
Yen Y5,335.503 +0.743 5.02
Deutschemark DM52.957 +0.007 4.84
Swiss Franc SF41.095 +0.004 2.86
Guinness Mahon Distrib Fund (Guernsey)
U.S. $ Price $18.34 18.83xd 9.20
£ Sterling Equivalent £16.00 16.50xd 10.60
Prices at January 3. Next dealing January 10.

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong
Australian Fd Jan 2 $4.77 5.12 1.00
SE Asian Fd Jan 2 $3.75 4.03
Japan Fd Jan 4 $17.44 18.69

Hambros Fd. Mgrs. (C.I.) Ltd.
PO Box 86, Guernsey. 0481-26521
C.I. Fund 449.8 479.1 +1.6 2.06
Special Sits. Fund 176.9 186.3 +0.3 1.66
Sterling Income Fund 108.5 113.1 10.61
Dollar Income Fund $1.054 1.104 10.87
Growland Intnl. $1.151 1.212 1.82
Intnl Bond $97.50 103.12xd +0.4 10.60
Int. Equity $20.38 21.45 -0.22 0.86
Amer Spec Accts $0.84 0.89 -0.01
Amer Equity Inc $58.7 61.8 +0.3 6.50
Currency Fd. £ Class £18.75 18.76 +0.03 9.26
Currency Fd £ Man Clas £9.95 10.3xd +0.01 9.53
Other Currency Fund prices—ring Dealers 0481 26521.

Henderson Admin. (Guernsey)
PO Box 71, St Peter Port, Guernsey 0481 26541
American (U.S. cents) 138.2 148.6
Nat'l Res. (U.S. cents) 103.8 110.4
Gilt Fund 9.98 10.55xd 11.87
Prime Res Prices £1.16 1.23 2.00

Henderson Baring Group
1901, Edinburgh Tower, Hongkong.
Australia $7.89 8.51 2.10
Hong Kong $12.70 13.62 +0.09 3.50
Japan Tech. $27.81 29.71 -0.44
Japan Fund $39.67 42.38 0.20
Malay Sing. $16.47 17.74 1.00
Pacific Fd. $13.606 14.286 1.68
Pacific Intl Fd. $9.84 10.35 -0.26
Bond Fd. $10.081 10.585 11.30

Hill Samuel Fd. Mngrs. (Guernsey) Ltd.
PO Box 16, 35 High St., St. Peter Port, Guernsey, C.I.
Guernsey Tst. 374.0 397.9 2.42

Hill Samuel Investment Mgmt. Intnl. S.A.
PO Box 63, Jersey. Telex 4192274. 0534 76029.
Intl Bond Fund $9.30 9.98xd +0.05
Int Man (Growth Fund) $1.843 1.959
UK Growth (CI Fund) £2.560 2.711 2.53
£ Bond (Fixed Int) £1.12 1.18 10.24
Int. Currency Fund
Managed Fund £14.16 14.87 -0.01
Sterling £12.53
U.S. Dollar $25.24 +0.01
CIFCO Hill Samuel $0.92 1.00
Other Currency Fund prices—ring Dealers 0534 76029
P.O. Box 2622, Berne, Switzerland. Telex 912250.
H.S. Overseas Fd. $24.74 25.98 +0.02
Balanced (CSF Fund) SF24.72 26.50 +0.15
Far East (Crossbow) SF10.77 11.55 +0.07
Technology (ITF Fd) $13.22 14.19 +0.01

Holborn Fund Mngmt (Guernsey) Ltd.
PO Box 61, Bermuda Hse, St Julian's Ave, St Peter Port, Guernsey. 0481-26268
Holborn Currency Fund
Managed Sterling 106.2 106.5 +0.3
Managed Dollar $8.86 8.90 -0.04
Sterling Deposit 101.8 102.3
Dollar Deposit $10.0
DM Deposit DM50.61 50.81
SwFr Deposit SF50.0
J. Yen Deposit Y5,091 5,090

Holborn Fund Mngmt. (Jersey) Ltd.
28/34 Hill St, St. Helier, Jersey. 0534-72156
Vanbrugh Currency Fund.
Income (A & B) 137.8 138.0 -0.3 6.09
Growth (C & D) 119.3 119.6 -0.4

I.C. Trust Managers Ltd.
10, St. Georges St., Douglas, IoM. 0624 25015
Int. Commodities Tst 134.5 143.1

ISF Management Services Inc
c/o Registrar, PO Box 1044, Cayman Is, BWI
Int Gold Fd $6.96 7.31

N.V. Interbeheer
P.O. Box 85690, The Hague, Holland
Esmeralda (Offer Pce) DF111.98 +0.32 2.05

International Bond Trust
2, Boulevard Royal, Luxembourg
CLC A NAV Jan 7 $10.39 -0.05
CLS B NAV Jan 7 $13.88 -0.07

Investissements Atlantiques SA
14 Rue Aldringen, Luxembourg. 352 47991
NAV Dec 31 $6.50 6.64 1.51

Invicta Investment Management
29a Broad St, St Helier, Jsy, CI. 0534 77522
Gilt Growth Fund £9.77 10.25 4.87
Gilt Income Fund £9.33 9.76 12.30
Gilt & Futures Fund £96.9 1,021 7.84

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong
JF Japan Tst. Y4,719 5,069
JF Japan Small Co. Y28,815 29,850
JF Japan Technology Y21,597 23,079
JF Eastern Tst $22.43 [illegible]
JF Pac. Secs. $5.28 5.68 2.2
JF Intnl.Tst. $5.63 6.03
Hong Kong & S.E. Asia $28.10 30.04 3.3
Japan & Pacific Cav.Tst $17.88 19.02 3.6
JF Australia Tst. $4.42 4.74
JF Currency Bond $11.24 11.96 10.6
JF American $6.87 7.31 0.6
JF Asean $7.85 8.40 0.6
JF Man. Currency $8.54 8.99 +0.02 8.9
NAV Jan 8. Next dealing Jan 14.
London Agents: Robt. Fleming & Co.Tel: 01-638 5858

Leopold Joseph & Sons (Guernsey)
Albert Hse., St. Peter Port, Guernsey. 0481-26648
L J & S Currency Fund
Telephone Manager for latest prices.
L.J. Internat. Fd $15.29 15.52 -0.10
L.J. Sterling Fund £18.79 18.80

Kleinwort Benson Group
20, Fenchurch St, EC3. 01-623 8000
Guernsey Inc. 143.6 156.9 3.53
Do. Accum. 219.8 240.2 3.53
K.B. Eurobond Inc Fd £17.90 18.05 6.50
K.B. Eurobond Fd. Acc £20.45 20.62 6.50
K.B. Far East (Grsy.) £13.30 13.84xd 1.95
K.B. Gilt Fund £11.23 11.29xd -0.04 10.53
K.B. Intl. Fund $20.14 1.96
K.B. Japan Fund $49.60 0.50
K.B. Sterl. Asset Fd £17.63 17.635 +0.025
Pinechurch US Growth $7.83 1.96
Signet Bermuda $8.92 +0.11 2.11
Transatlantic Fd. $47.69 +0.25 1.46

Korea International Trust
Fund Man.: Korea Invest. Trust Co Ltd.
c/o Vickers da Costa Ltd, King William Street, London, EC4. 01-623 2494
NAV Won 9,693.61. IDR value US$11,660.78.

The Korea Trust
Man: Daehan Investment Trust Co.Ltd.
44-5, Yoido-dong, Yongdungpo-Ku, Seoul, Korea
NAV (Jan 5) Won 12,711 (US$15.32).

Lazard Brothers & Co. (Jersey) Ltd.
P.O. Box 108, St. Helier, Jersey, C.I. 0534 37361
Equity
Lazard Far East $15.10 16.07 1.00
Lazard Int. Cap. $10.34 11.00 1.00
Lazard Nth. Am. $11.26 11.98 -0.16 1.00
Japan Int. Fund $9.58 10.02 1.00
Fixed Interest
Lazard Int. Inc (Inc.) $1,173.86 1,215.11 10.7
Lazard Int. Inc. (Acc.) $1,558.60 1,613.36 10.7
Cap. Gwth Bond $1,584.05 1,640.84 10.6
D'fied Bond (Inc.) $9.43 9.98 5.2
D'fied Bond (Acc.) $9.92 10.28 5.2
Deposit Fund
Lazard Int. Asset $ $104.4156 +0.1824 7.4
Lazard Int. Asset £ £51.6068 -0.1048 8.40
Lazard Int. Asset Y Y25,738.95 +19.71 4.40
Lazard Int. Asset DM DM255.8863 +0.2164 4.40
Lazard Int. Asset SF SF200.9723 +0.0262 1.70
Lazard Curr. Res. Fd.—Currencies page each Wednesday.

Lewis & Peat, Clarke (Guernsey) Ltd
PO Box 147, St Peter Port, Guernsey 0481-23488
Commodity Fund 51.7 54.2

Lloyds Bank (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 159.1 169.2 0.97
Next dealing January 10.
Lloyds Trust Gilt £9.05 9.06xd 12.10
Next dealing January 9.

Lloyds Bank International, Geneva
PO Box 438, 1211 Geneva (Switzerland)
Lloyds Int'l Dollar $99.1 102.3 11.5
Lloyds Int'l Growth SF971.0 1055.0 1.2
Lloyds Int'l Income SF296.0 307.5 7.0
Lloyds Int'l Pacific SF131.1 138.0 1.00

Lloyds Bank International, Guernsey
P.O. Box 136, Guernsey. 0481 24983
Lloyds Intl. Small Cos. $12.76
NAV (ex Alexander Fd)

Lloyds Intl. Money Market Fund Ltd
PO Box 136, St Peter Pt, Guernsey. 0481-24983
Sterling Class £10.981 8.81
Dollar Class $22.141 7.99
Next dealing day January 2.

Lloyds Life (Isle of Man) Ltd
Bridge Hse, Castletown, IOM. 0624 824151
SAIF 121.9 128.4

Louis Dreyfus Commodity Fund
c/o Trustee, PO Box 1092, Cayman Islands.
December 28. Valuation US$4,401.52.

M & G (Cayman) Ltd.
P.O. Box 706, Cardinal Avenue, Grand Cayman, BWI
Atlantic Ex Jan 8 $7.89 8.39 -0.07
Australian Ex Jan 2 $3.00 3.19
Gold ex Jan 2 $30.73 33.05 2.06
(Accum. Units) $49.44 53.17 2.06
Island 318.7 339.1 +1.6 2.48
(Accum Units) 556.7 592.3 +1.7 2.48

Management International Ltd
Bk of Bermuda Bldgs, Bermuda. 809-295 4000
Bda IBFC $17.65 17.84
Bda IBFI $10.50 10.62xd
Prices at Dec 28. Next dealing Jan 4.
Bda IEFC $9.14 9.33
Bda IEFI $8.86 9.04xd
Prices at Jan 2. Next dealing Jan 9.

Manufacturers Hanover Geofunds
PO Box 92, St Peter Port, Guernsey. 0481-23961
Curr. Bds. $10.22 10.73 -0.06
LA Inc. $102.21 102.42xd
LA Acc. $142.81 143.11
MIT Acc. $130.60 131.27
IRL Managed — $9.980

Midland Bank Tst Corp (Jersey) Ltd
28-34, Hill St, St Helier, Jersey. 0481 26741
MdBkOsGt 100.7 118.7xd -0.3 11.87
MdBkLntBd $1.05 1.07 7.48

Minerals Oils Res Shrs Fd Inc
PO Box 194, St Helier, Jersey. 0534 27441
MresDc27 $10.52 10.63 3.76

Samuel Montagu Ldn Agents
114, Old Broad St, EC2. 01-628 3434
MtAmEi(z) 103.7 109.0 +1.2 5.29
MtJapInc(z) 71.8 75.5xd +0.6 4.11
MtGltInc(z) 48.0 50.6xd -0.1 10.59
M'StrlgJ7 £15.23 15.24 9.17
MtGold(z) — 30.525 —
ApDc31 SF103.80 112.62 1.24
JpDc31 HK$42.06 45.52 0.16
MtAmN30 $17.43 18.75 1.38
MFRNFJ3 $10.24 10.26xd —
USIFJ7 $11.27 11.65 —

Murray Johnstone (Inv Adviser)
163, Hope St, Glasgow, C2. 041-221 5521
HopeStJ8 $65.55 70.21 1.84
MurFdD20 £18.98 20.22 —
PacFdJan9 $4.00 4.28 —

NEL International Ltd
PO Box 119, St Peter Port, Guernsey, CI.
Sterling Dep 78.0 82.1
SterlFxdInt 87.8 92.4
Sterling Man 99.6 108.3
IncFxdMan 103.4 112.4
Int Man 107.1 116.4

Nat Westminster Jersey Fd Mgrs Ltd
23/25 Broad St, St Helier, Jersey. 0534 70041
HgInRd(a)(b) 53.8 56.0 10.71
EqtyFd(a)(b) 103.4 110.0 2.03
IntBdFd(a)* 80.6 83.0xd 6.67
*Sub day every Thurs.
County Bank Currency Fund (a)
Dollar Class $23.2595
Sterling Class £11.5321
D-Mark Cl DM53.7493
DutchGldrCl DFl53.6790
Jap Yen Cl Y5,456.6387

Negit SA
10a Boulevard Royal, Luxembourg.
NAV $9.38 +0.14

Newport International Management
Bank of Bermuda Bldg, Bermuda. 809 295 4000
NptIntSec $15.44
NptIncInc $14.60
NptPacific $11.58

Norcap Fund Managers (Bermuda) Ltd
Bank of Bermuda Bldg, Bermuda. 809 295 4000
Amer Tst $7.95 8.25

Normandy Trust Managers Ltd
29 Athol St, Douglas, IoM 0624 29696
Ndy Mt £0.9353 0.9846
Ndy Ct £1.1484 1.2089 2.00
CnCGr £0.6659 0.7010 2.00

Northgate Unit Tst Mngrs (Jersey) Ltd
PO Box 82, St Helier, Jersey. 0534 73741
PacFdJn2 $11.56 12.44

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.
Inv. Adv.: M & G Inv. Mngt. Ltd., London.
NAV $15.67 ±0.02

Perpetual UT Mngrs (Jersey) Ltd
PO Box 459, St Helier, Jersey. 0534 74517
OffshrGrw $1.112 1.193 -0.012 1.00

Phoenix International
PO Box 77, St Peter Port, Guernsey. 0481 23539
IntDollarFd $4.10 4.41
Far East Fd $3.36 3.63
Int Crrcy Fd $1.69 1.83
DirFxdIntFd $4.17 4.50
Stlg Ex £2.54 2.74

Providence Capitol International Ltd
PO Box 121, St Peter Port, Guernsey. 0481 26726/9
£UKFxdInt 163.4 175.7
£UKStkMkt 178.7 192.2
£ St Md Fd 152.4 164.0
£ Spc Mk Fd 97.7 105.1
$IntStkMkt 100.4 108.0
$IntFxdInt 121.1 130.3
$DllrMdFd 112.2 120.7
$IntCurrncy 108.1 116.3
$ Wld Tech 126.4 136.0
$NAMStkMt 100.9 108.6
$ Far East 105.4 113.4
SwFrMgd 5.062 5.433
Prices Jan 2. Next dealing Jan 9.
For other prices ring 0481 26726-9.

Putnam International Advisers Ltd
10-12 Cork St, London, W1. 01-439 1391
Emerg Health Sci $8.85
International Fd $55.18
For Quest Fund Man. (Jersey) see Royal Trust Intnl. Mngt.

Quilter/Heinold Commodities
31-45 Gresham St, EC2V 7LH 01-600 [illegible]
RscFNAV $147.43 — 1.29
Next dealing date Jan. 2.

Rea Brothers (IoM) Ltd
29 Athol St, Douglas, IoM. 0624 29696
Bond Fd £1.2875 1.3300 7.80

Richmond Life Ass Ltd
4 Hill Street, Douglas, IoM. 0624 29441
Gold Bond 229.3 243.8 15.6
StrDoBd 179.87 192.18 +0.01 8.83
UK Gilt Fd 166.8 177.3 +0.7

Rothschild Asset Management (CI)
St. Julian's Ct, St Peter Port, Guernsey. 0481 26741
OCAmerFd* $2.76 2.93xd 0.97
OCSCo** 222.6 236.8 1.39
OCCdy*** 123.6 131.4xd 2.81
OCSCmdy* $29.29 31.04 1.90
HK Fd†† $42.33 45.03
*Pcs Jan 7. N.D. Jan 21. **Pcs Dec 31. N.D. Jan 15. ***Pcs Dec 31. N.D. Jan 14. ††Dlg ev. Weds.
OCIR £ £16.170 +0.004 8.58
OCIR A$ A$16.108 ±0.008 9.05
OCIR C$ C$41.777 ±0.011 8.64
OCIR DFl DFl53.791 +0.001 4.46
OCIR DKr DKr162.90 +0.007 9.78
OCIR DM DM54.144 +0.007 4.54
OCIR BFr BFr959.52 ±0.28 9.66
OCIR FFr FFr189.69 ±0.005 9.62
OCIR HK$ HK$107.366 +0.034 9.50
OCIR Lire L44.607 +22 12.50
OCIR S$ S$71.035 +0.01 5.47
OCIR SF SF47.7912 ±0.0051 3.78
OCIR US$ $33.487 ±0.007 7.64
OCIR Yen Y6,760.10 +0.97 5.20
OC Man £ £9.76392 10.0659
OC DM DM38.68805 39.88458
OC Man $ $11.61847 11.97781

Rothschild Australia Asset Mgmt Ltd
17 Bridge St, Sydney 2000, Australia.
Five Arrows $1.37 1.40 6.10

Rouse Woodstock (Bermuda) Ltd
POB 1179 Hamilton, Bermuda. 809 295 2244
Systemtrend $9.98

Royal Bank of Canada Funds
PO Box 246, St Peter Port, Guernsey. 0481 23021
RBC Invest Managers Ltd
IntlIncFd $9.91 10.57 7.70
IntlCapFd $16.91 18.34
NthAmFd $7.37 8.03
FrEst&PacF $9.96 10.29
Candn Fd C$10.06 10.65
RBC Intl Currencies Fd Ltd
U.S. $ $20.03
Canadian $ C$29.90 +0.01
£ Sterling £11.97 +0.01
D-Mark DM54.58
Swiss Franc SF42.20 +0.01
Japanese Yen Y6.647 +1
Managed Fund $22.29 +0.01

Royal Trust Intnl Fd Mgmt Ltd (x)
PO Box 104, St Helier, Jersey. 0534 27441
StrlFxdFd £0.875 0.887 9.29(d)
Intl Secs $1.090 1.138 0.94
Intl Bds $0.755 0.764 10.27(d)
Prices on Dec 19. Next dealing Dec 27.

SCI/TECH SA
2 Boulevard Royal, Luxembourg.
SCI Tech NAV $9.47

Save & Prosper International
PO Box 73, St Helier, Jersey. 0534 73933
Fixed Interest Funds
DM Bd DM10.90 11.49 4.79
$ Fxd Int $7.67 8.17xd +0.07 10.77
Stlg Fxd 108.1 114.2 +0.6 12.26
Yen Bond Y1,465 1,548 +6 2.91
Equity Funds
GlblPrtFd $4.58 4.95 +0.01 0.83
UK Growth [illegible] 174.9xd +1.5 1.90
IntlGrowth $9.99 10.80 +0.15 1.02
FarEastern $19.94 21.56 +0.20 0.35
Nth Amer $7.69 8.32 +0.03 0.11
Gold $8.43 9.12 +0.14 2.08
Multicurrency Reserve Funds
U.S. $ 1.00 7.89
D-Marks 10.00 4.02
£ Sterling 1.00 8.04
Yen 1,000.00 5.02
Deposit Fund
SterlDeposit 193.1 193.2 -0.1
All funds are daily dealings.

Schroder Mngt Services (Jersey) Ltd
PO Box 103, St Helier, Jersey 0534 27561
Schroder Money Funds Ltd
Sterling £15.7995 8.78
U.S. $ $29.8509 8.49
Deutschmrks DM54.5104 4.59
Swiss Francs SF53.1769 3.53

J. Henry Schroder Wagg & Co Ltd
120, Cheapside, EC2. 01-382 6000
AminDc19 $24.35 6.40
AsFdDc31 $24.86 26.07 3.73
ChpsdJn7 $9.78 — +0.02 2.87
DigFdJn8 A$3.28 3.53 -0.02 3.7
JapFdJn3 $17.01 18.31 0.27
TralFdN30 $15.37 16.95
N&YJn7 $32.46 — -3.10

Schroder Unit Trust Mgrs Int Ltd
Box 273, St Peter Port, Guernsey. 0481 28750
MgdCrncy* 605.6 638.2 -0.6 6.27
£ Fxd Int* 611.3 645.0xd +4.7 7.45
£ Equity* 171.9 183.8xd +2.6 2.18
$FxdInt* $1.090 1.172 +0.004 8.53
$ Eqty* $1.465 1.566 -0.008 0.64
*HK Fund** $8.945 9.566 -0.033 2.09
Schroder Life Assurance Int Ltd
MgdCrLIFd [illegible] 747.1
£FxdInLFd 769.5 826.8
£EqtyLIFd 184.5 198.3
$FxdItLIFd $1.426 1.532
$FxdItLIFd $1.426 1.532
$EqtyLIFd 1.5091 1.622
£MgdLIFd 130.8 140.5
HK LI Fd 7.394 8.590
Prices on Dec 19. Next dealing Dec 27. *Daily dealing.

Scrimgeour Kemp-Gee Mngmt Jersey
1, Charing Cross, St Helier, Jersey. 0534 73741
SKG Cap Fd 324.4 334.2
SKG Inc Fd 68.1 70.2
Gilt Bond 173.9 183.1

Securities Selection Ltd
Bermuda Hse, St Peter Port, Guernsey. 0481 26268
Forexfund $7.51 7.9

Sentry Assurance International Ltd
PO Box 1776, Hamilton 5. Bermuda 55303
For Funds Prices Phone UK 0908 670305 (24 hrs).

Singer & Friedlander Ldn Agents
21 New St, Bishopsgate, EC2M 4HR. 01-623 3000
Dekalds DM30.21 31.79 6.84
TkyoTJan4 $62.50 2.30

Standard Chartered Off Money Mkt Fd
PO Box 122, St Helier, Jersey 0534 74454
Sterling £11.7966 +0.0027 8.74
U.S. $ $22.6308 +0.0049 7.75
D-Mark DM53.1507 +0.0068 4.58
Swiss Fr SF41.6323 +0.0041 3.44
Jap Yen Y5,365.0218 +0.7461 —

State St Bank Equity Hldgs NV
Car Mgt Co, 6 John B. Gorsiraweg, Curacao.
Net asset value Nov 31 $7.99

Strategic Metal Trust Mngrs Ltd
48 Athol Street, Douglas, IoM. 0624 26866
Strg Mt $0.9350 0.9827

Stronghold Management Ltd
PO Box 315, St Helier, Jersey. 0534 71460
Cmdy Tst 63.30 66.63

Surinvest (Jersey) Ltd
4 Hill St, Douglas, IoM. 0624 29441
Copper Tst £14.39 15.19

TSB Trust Funds (CI)
26 Hill St, St Helier, Jersey (CI). 0534 73494
TSB Gilt Fd 98.0 101.0xd 11.88
TSBGiltFdJy 98.0 101.0xd 11.88
TSB Jy Fd 102.7 108.2 +1.0 3.50
TSBGrnsyFd 102.7 108.2 +1.0 3.50
TSBCrncyFd 103.5 108.8 +0.2
Prices on Jan 9. Next sub day Jan 16.

Taiwan (ROC) Fund
c/o Vickers da Costa Ltd, King William St, London, EC4. 01-623 2494
NAV $457. IDR value US$11,584.28.

Target Trust Mngrs (Jersey) Ltd
PO Box 194, St Helier, Jersey. 0534 72936
Man Cur Fd 106.3 112.1 4.10

Tennant (Cayman) Managers Ltd and NATCO
PO Box 2189, Grand Cayman. 0101 (809) 9497436
Wstmstr-Cm $7.66 8.08

Tokyo Pacific Holdings NV
Intimis Management Co NV, Curacao. NAV per share $128.14.

Tokyo Pacific Hldgs (Seaboard) NV
Intimis Management Co NV, Curacao. NAV per share $93.50.

Tyndall Bank (Isle of Man) Ltd
30 Athol St, Douglas, IoM 0624 29201
Stg Mny Acc 9.00 Nil Qtr Chq.7
US$MnyAcc 7.250 Nil Qtr Chq.7

Tyndall Managers
2 New St, St Helier, Jersey. 0534 37331/3
TOFSL 200.9 215.8 1.16
American 216.2 233.4 1.71
Far Eastern 273.0 292.0 0.86
European 115.6 123.8 0.80
PrtfloMan 107.9 115.9
PrtfloAmer 104.1 112.4
PrtfloStlEst 112.0 119.8
PrtfloStEuro 108.4 116.2
Jersey Fd 177.4 193.8 4.74
(Nn-J.AcUt) 434.8 474.4
Gilt Funds 115.4 117.4 10.22
(AccumShs) 311.4 317.0
Victory House, Douglas, IoM. 0624 24111
HighIntGilt 111.2 113.4 12.49
(Acum Shs) 213.8 217.8

Tyndall International Assurance Ltd
Albert House, St Peter Port, Guernsey. 0481 27066
Int Equity 457.5 481.6
Do $ 5.210 5.495
PacificEqty 141.3 148.8
Do $ 1.610 1.695
NAmerEqty 96.9 102.0
Do $ 1.100 1.160
UK Equity 311.9 328.4
Do $ 3.550 3.740
Euro Eqty 121.0 127.4
Do $ 1.375 1.450
IntlFxdInt 483.5 508.8
Do $ 5.503 5.795
StlgFxdInt 273.8 288.3
Do $ 3.120 3.285
$ Deposit 153.4 161.5
Do $ 1.745 1.840
Stg Deposit 157.7 166.0
Do $ 1.795 1.890
Commodity 488.0 513.7
Do $ 5.560 5.855
Gold 82.3 86.7
Do $ 0.935 0.985
UK Prpty 195.2 205.5
Do $ 2.220 2.340
Intl Mngd 382.9 403.1
Do $ 4.360 4.590
UK Mngd 264.4 278.4
Do $ 3.010 3.170

Tyndall-Guardian Mngt Ltd
PO Box 1256, Hamilton, Bermuda.
T-G American $19.51
T-G Money $24.25
T-G Eurobond $16.70
T-G Commodity $24.05
T-G Mortgage C$22.42
T-G Overseas $10.88
T-G Pacific Y2,107
T-G Wall Street $25.68
T-G Gold $7.30

M. G. Tyrrell & Co Ltd
PO Box 415, London W13 9NY.
Ortac $11.75 12.05

Unico Invest Fd Mgt Co SA Lux
London & Continental Bankers Ltd
2 Throgmorton Ave, London 01-638 6111
UC Inv Fd $70.79 73.00 +0.20

Union-Investment-Gesellschaft GmbH
Postfach 16767, D 6000, Frankfurt 16.
Unifunds DM20.21 21.30 +0.30
Unirak DM71.41 75.00 +0.40
Unirenta DM40.23 41.50 +0.20

United Fund Managers Ltd
16-18 Queens Rd Central, Hong Kong. 5-231417
M Mlv Tst 8.65 9.0 10.88
For Vanbrugh Currency Fund see Holborn Fund Management (Jersey) Ltd

S. G. Warburg & Co Ltd and subsdrs
33 King William St, EC3R 9AS. 01-280 2222
SgvInJn4 $42.10 —
Eurobond $16.27 18.43
Sel Risk $15.23 15.76 1.58
39-41 Broad Street, St Helier Jsy, CI. 0534 74715
Cmn Mkt £28.82 29.55 1.32
Far East £27.64 28.34 0.88
Transatl £26.65 27.33
Metals £12.32 12.62 9.19
Sel Mkt £21.52 22.07 1.59
Sel Mkt £21.68 22.24xd 1.50
Mercury Money Market Trust Ltd
D-Mark DM79.69 +0.01
Dutch Guilder DFl107.28 +0.01
Japanese Yen Y5,044 +1
£ Sterling £20.18 +0.01
Swiss Franc SwFr77.71 +0.01
U.S. $ $34.25 +0.02
1 Thomas St, Douglas, IoM. 0624 4856
IoM 59.4 63.2 +0.6 7.5
Intl Bond 42.7 45.5 +0.4 6.7

Wardley Fund Managers (Jersey) Ltd
HK Bk Bldg, Grenville St, St Helier. 0534 71460
WrdlyGltFd $96.0 100.0xd 11.25

Wardley Investment Services Ltd
4th Floor, Hutchison House, Hong Kong.
Wrdly Trust $5.28 5.65 -0.03 1.42
WdyNKAF $27.79 29.47 +1.12 4.75
WrdlyBdT $9.95 10.60 6.04
WrdlyJapT $32.06 34.00 +1.08 0.29
WrdlyPrCT $10.11 10.70 2.06

West Avon Secs (Guernsey) Ltd
Borough Hse, St Peter Port, Guernsey. 0481 27963
GiltsOptFd £1.15 1.21 4.00
U.S. $ Opt £0.96 1.01

World Wide Growth Management
10a, Boulevard Royal, Luxembourg.
Inv. Adv.: M&G Inv. Mngt. Ltd., London.
WwdGthFd $11.25 — +0.05

Wren Commodity Management Ltd
10, St George's St, Douglas, IoM. 0624 25015
Wren Com Fd 12.7 13.2 3.10
Chinese Fd 58.8 61.2 1.70
PrecFetFd 80.3 83.6 8.30
VangCmdyFd 21.5 22.1
FinFuturesFd 32.4 33.8

Yamaichi Dynamic Mngt Co SA
10a Boulevard Royal, Luxembourg.
Dynamic Grth Fd $8.63 -0.17

Money Market Bank Accounts

	Nom	Apr	Int Cr	Notice
The Money Market Trust				
63 Qn Victoria St, EC4N 4ST. 01-236 0952				
Call Fund	8.27	8.45	6mth	Call
7-day Fund	9.00	9.21	6mth	7-day
Oppenheimer Money Management Ltd				
66 Cannon St EC4N 6AE. 01-236 1425				
Call Fund	8.36	8.53	6mth	Call
7-day Fund	8.93	9.12	6mth	Call
Mny Mg Ac	8.38	8.64	6mth	Call
Dollar	6.94	7.06	6mth	2-day

Money Market Bank Accounts

	Nom	Apr	Int Cr	Notice
Aitken Hume				
30 City Road EC1Y 2AY. 01-638 6070				
TreasuryAcc	9.375	9.71	Qtr	Call
MthIntChq	9.25	9.65	Mth	Call
Bank of Scotland				
38 Threadneedle St, EC2 2EH. 01-628 8060				
Cheque Acc	9.45	9.87	Mth	Call
Barclays Prime Account				
PO Box 125, Northampton. 0604 252891				
High Int Chq	9.75	10.11	Qtr	Call
Britannia Grp of Investment Companies				
29 Finsbury Circ, EC2M 5QL. 01-555 2777				
Cater Allen	9.00	9.38	Mth	Call
Charterhouse Japhet plc				
1 Paternoster Row, EC4M 7DH. 01-248 3999				
Sterling	9.25	9.652	Mth	Call
U.S Dollar	8.00	8.399	Mth	Call
German Marks	5.0	5.116	Mth	Call
Swiss Francs	3.0	3.018	Mth	Call
Japanese Yen	5.0	5.116	Mth	Call
Co-operative Bank				
78-80 Cornhill EC3. 01-626 6543 Ext 464				
Under£1,000	8.00	8.24	Qtr	Call
Over £1,000	10.00	10.38	Qtr	Call
Dartington & Co Ltd				
Dartington, Totnes, Devon, TQ9 6JE. 0803 862271				
MnyMktAcc	9.50	9.84	Qtr	Call
Henderson/Bank of Scotland				
38 Threadneedle St, EC2P. 01-628 8060				
MnyMktChqAc	9.45	9.87	Mth	Call
Lombard North Central plc				
17 Bruton St, W1A 3DH. 01-409 3434				
Notice Dep	10.00	10.25	Ret	14-day
M & G Kleinwort Benson				
91-99 New London Rd, Chelmsford 0245 51651				
HighIntChqAc	9.30	9.45	Daily	Call
Midland Bank plc				
PO Box 2, Sheffield. 0742 20999 Ext 8738				
High Int Chq	9.30	9.62	Qtr	Call
Provincial Trust (formerly Choulartons)				
30 Ashley Rd, Altrincham, Cheshire, WA1 2DW. 061-928 9011				
Cheque Acc	9.25	9.65	Mth	Call
Save & Prosper/Robert Fleming				
28 Western Rd, Romford, RM1 3LB. 0708 66966				
HighIntMkAc	8.80	9.20	Daily	Call
Premier Acc	8.80	9.20	Daily	Call
Tyndall & Co				
29-33 Princess Victoria St, Bristol BS8 4BX 0272 732241				
Demand Acc	9.26	9.58	Qtr	Call
Money Acc	9.125	9.44	Qtr	Chq 7
J. Henry Schroder Wagg & Co Ltd				
Enterprise House, Portsmouth. 0705 827733				
Special Acc	8.85	9.21	Mth	Call
Over£10,000	9.10	9.48	Mth	Call

NOTES—Interest rates given both as a *nominal rate and an annual percentage rate adjusted for frequency of interest* credit.

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered prices includes all expenses if bought through managers. z Previous day's price. € Guernsey gross. ‡ Suspended. ◆ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ○ Yield column shows annualised rates of NAV increase.

COMMODITIES AND AGRICULTURE

Support buying halts rubber slide

BY RICHARD MOONEY

SUPPORT BUYING by the International Rubber Organisation's buffer stock, the first in two years, halted the continuing decline in rubber prices on the Kuala Lumpur market yesterday. Local traders estimated that between 300 tonnes and 500 tonnes had been added to existing stock of about 270,000 tonnes.

They said purchases were limited by many dealers being unwilling to sell at the 189 Malaysian cents a kilo price offered by the buffer stock for February delivery rubber.

At the opening, continued selling trimmed the January delivery price by a quarter of a sent to 180 cents a kilo, a two-year low. The INRO buying, however, small as it was, was enough to lift the price to 182.50 cents at the close.

Mr Pang Suparto, INRO *executive director, said* the buffer stock manager had intervened to raise prices and would step in again if the market remained weak.

The INRO indicator price has been below the 177 Malaysia/Singapore cents a kilo level at which the manager is allowed to start support buying since last month.

The manager is obviously keen to prevent the price sliding below the 166 cents a kilo level at which he must buy. *His room* for manoeuvre is limited: a meeting of INRO members to consider revising the support price range would be called *automatically if his purchases* reached 300,000 tonnes.

This would happen also if he allowed the price to slip below the floor level of 150 cents.

He had clearly been hoping that reduced output in the annual wintering period, and the background threat of support buying, would be enough to discourage a continued slide

The Eastern winter, however, has been relatively mild and a vague statement in November that the buffer stock manager was prepared to intervene cut *little ice with the market.*

A London trader commented in a report last month: "The buffer stock manager has cried wolf once, and will have to show much more muscle if he wishes to be taken seriously. The next few weeks may well oblige him to do so."

Commodity futures fall

BY JOHN EDWARDS, COMMODITIES EDITOR

TURNOVER ON London's commodity futures markets fell back last year, according to International Commodities Clearing House figures. The total number of lots traded declined to 3,973,565 when the sterling-based sugar futures contract phased out last April is included. This compares with a total 4,511,709 lots in 1983.

Cocoa futures remained the single biggest contract, with a turnover of 1,317,706 lots (1983 1,336,545). Second biggest was coffee—948,117 lots (836,789). Coffee was one of the few markets with increased turnover. The other were New Zealand wool and soyabean meal.

However, trading activity fell back in sugar overall and in gas oil, potatoes, natural rubber and gold.

The sluggish performance of traditional comodity futures contracts contrasted sharply wiht a big rise in the trading volume on the London International Financial Futures Exchange (Liffe). This jumped from 1,362,682 lots in 1983 to 2,587,947 last year.

There was a similar trend on the Chicago futures exchanges in the U.S. Both Chicago Board of Trade and Chicago Mercantile Exchange had record volumes last year but all the growth came in the financial instrument markets while trading fell back in agricultural contracts.

The Board of Trade remains by far the biggest futures exchange. Its turnover was up last year by 15.4 per cent, to 74,377,130 lots.

Drive for more milk quota flexibility

THE Ministry of Agriculture yesterday launched a drive for increased flexibility in the application of EEC milk production quotas by issuing a discussion document outlining possible changes in legislation.

The British Government is seeking the views of farmers and other interested parties as to how production quotas might be made transferrable between farms. The National Farmers Union has been campaigning for such a change for some months.

The *ministry* said: "*If* resources are to be used as effectively as possible it is essential that producers who wish to expand, and have the necessary financial resources should be able to obtain quota from those who do not wish to or are unable to use the full amount allocated to them."

It said that in principle quotas should be as freely marketable as cows.

It wants to know whether there should be geographical restrictions on transfer of quota, *to prevent excessive concentration* of milk production, and how landowners' interests might be protected.

● **THE NFU** will tomorrow lobby parliament to extend the so-called "outgoers' scheme," designed to provide farmers with a golden handshake to quit milk production. It says that without the extra quota, which such a move would make available, many more producers may be forced out of business.

● **OVERNIGHT FIRMNESS** in the New York market triggered a further sharp rise in London cocoa future prices which was fuelled by manufacturer buying of physicals. The May futures position ended £37 up at *£1,945.50 a tonne, a 10-week* high.

Dealers thought the reappearance of manufacturer buying reflected efforts to re*build stocks*, which were allowed to run down before Christmas.

● **FROSTS** threaten to destroy millions of Italian olive and fruit trees, Confagriculture, the national farmers' organisation, said in Rome.

Caribbean calls for a 'banana pound'

BY CANUTE JAMES IN KINGSTON

MISS EUGENIA CHARLES, the Prime Minister of Dominica, has firm ideas on stabilising the Caribbean banana industry which has been slipping for the past four years.

"We want the UK to establish a banana pound," Miss Charles told the islands' growers recently. "We want this to be done to make up for the fall in the value of sterling. This has seriously affected our earnings from bananas."

Stabilising export earnings, however, would be only one part of efforts needed to rehabilitate the Caribbean banana industry. Shipments to Britain by Dominica and the other Windward Islands exporters—*St Lucia, Grenada and St Vincent*—and from Jamaica, have continued to suffer from natural and human factors.

Up to six years ago the Caribbean accounted for 60 per cent of all British imports, reaching 200,000 tonnes in 1978. Shipments for 1984 are not expected to total much over 130.000 tonnes.

The more recent problems for the region came after a hurricane in the summer of 1980.

However, the Windwards weathered the storm much better than Jamaica did. Windward shipments plummeted to 66,000 tonnes that year, then moved to 110.000 in 1981. 105.000 in 1982 and 117,000 in 1983.

The Windward Islands' Banana Growers' Association had projected shipments last year at 148,000 tonnes. The tail end of a hurricane in October forced a revision of this, with landslips affecting farms, mainly in Dominica and St Lucia. The more optimistic projections for the group now go no higher than 125,000 tonnes.

The improvements in tonnages since 1980 have been the result of more involvement by the islands' farmers in bananas, lured by better prices paid to growers.

There is still concern about the quality of fruit. long a complaint of British consumers, greengrocers and fruiterers. *Much remains to be done* to improve quality, and Dr John Caygill, of Britain's Tropical Development and Research Institute, recently warned the Windwards *to pay more attention* to problems caused by mechanical damage to fruit, latex staining, and premature ripening.

The banana association *admits that it is in a Catch 22* situation. The islands could ship better quality fruit, by increasing the volume of rejects, as is done with dollar-*area bananas produced in* Latin America, but this would decrease the volume of shipments and earnings.

The Windward producers had projected earnings for 1984 of about EC$125m (about £36m). The fall in the strength of sterling against the dollar will depress this projection. This is the basis for Miss Charles's appeal for a unit of account specifically for bananas.

While the Windwards industry is managing to keep afloat, Jamaica's has slipped disastrously. Dr Percival Broderick, the island's *agriculture* minister, said repeatedly that Jamaica has a potential market for 150,000 tonnes per year in Britain.

Before the 1980 hurricane, tonnes a year. They slumped to 33.000 tonnes that year. Exports were 19,000 tonnes in 1981, 22,000 tonnes in 1982 and 23.000 tonnes in 1983.

"Jamaica is expecting to ship 10,000 tonnes this year," Mr Bobby Pottinger, chairman of the Banana Growers' Association, said last November.

The cause of the collapse, he believes, is a confused government policy on the industry.

"National efforts being directed at finding markets for non-traditional crops are commendable, but we should not forget or ignore the guaranteed *United Kingdom* market for 150.000 tonnes, with a potential gross earning of £72m," he said.

The effects of the hurricane are not the main problem for Jamaica, Mr Pottinger explained, pointing to the recovery in the Windward Islands. Rather, he said, growers had little incentive to produce because of the prices they receive — 44 Jamaican cents (9 U.S. cents)—per pound of fruit, against the equivalent of 14 U.S. cents paid to Windwards growers.

"Thirty-nine thousand growers have ceased production of bananas because of unfavourable economic conditions in the production and marketing of the fruit," Mr Pottinger said.

Dr Broderick has announced that the Government will be writing off this debt in an effort to help the industry.

Jamaican banana farmers, however, will still be faced with high production costs even if they do get an increase in prices The Jamaican dollar has been devalue by more than 100 per cent in the past year Mr Pottinger said the cost of inputs such as fertiliser and fungi- per cent and labour costs by 27

"The Government's emphasis traditional growers," he said.

"The government's emphasis is on high technology and large acreages. This should not be done at *the destruction of the* traditional growers," complained Mr Pottinger.

The project to which he referred is a $30m (£26m) effort involving United Brands of the U.S. to develop 2,000 acres of farms.

Shipments of this fruit — expected to be of higher quality than usual in Jamaica — are expected to peak by the middle of next year.

Another 2,000 acres of farms are being started, with a national target of shipping between 60.000 tonnes and 100,000 tonnes a year at maximum production.

The industry expects traditional producers to supply the rest to push *Jamaican shipments to 150,000 tonnes* a year. With the defection of the smaller farmers, achieving this target seems unlikely.

Containment of EEC excesses 'unlikely'

BY JOHN CHERRINGTON IN OXFORD

THE possibilities of evolving a coherent policy to contain EEC agricultural overproduction and budget spending remain minimal, Mr David Curry, a British Euro-MP and a vice-chairman of the Euro*pean Parliament's agriculture* committee, told the annual Oxford Farming Conference yesterday.

He said that as fewer and fewer producers were needed to supply home and export markets the political importance of farming would decline. None the less individual member-states, particularly West Germany, would be fighting to maintain the farming sector's influence in the councils of Europe.

The effects of EEC enlargement by admission of Spain and Portugal would only worsen the situation, he said. Even price restraint was an effective non-runner because in real terms EEC prices had fallen substantially in the past 20 years and production was still surging ahead.

Mr Rowan Cherrington, chairman of the National Farmers Union's cereals committee, thought cereal price restraint coupled with a tightening of standards for intervention purchases or exports could relieve pressure on the EEC budget.

Senator Denis Norman, Zimbabwe Minister of Agriculture, closed the farmers' favourite loophole—feeding the Third World.

While acknowledging the importance of food aid he said by far the greater need was aid for Third World members to grow more food themselves. This would be a high-cost enterprise but the senator thought the developed world could afford it.

He drew attention to high world expenditure on armaments—currently about $1.3m (£1.1m) a minute. A halt in spending on weapons for 24 hours would produce a great deal of resources for aid.

Decline in uranium prices continues

By Our Commodities Staff

THE DECLINE in uranium prices appears to be continuing, with spot prices quoted by Nuexco, the U.S. broker, reaching a 10-year low of $15.25 a pound this week. This compares with a previous low of £15.50 last month, and is an all-time trough in real terms.

The market's long-standing weakness stems from overproduction, stagnant demand and increasing stocks held largely by consumers. This *week's fall is not believed to* reflect any new developments.

A top executive at a large uranium-buying utility said: "There's just an awful lot of material chasing few purchasers."

Spot prices are an indicator of limited value, because only about 5 per cent of uranium *sold is openly traded on the spot* market.

All prices as supplied by Metal Bulletin.

ANTIMONY: European free *market*, 99.6 per cent, $ per tonne, in warehouse 3,00-3,100.

BISMUTH: European free market, min 99.99 per cent, $ per lb, tonne lotes in warehouse 6.45-6.60.

CADMIUM: European free market, min 99.95 per cent, $ per lb, in warehouse, ingots 1.16-1.22, sticks 1.22-1.26.

COBALT: European free market, 99.5 per cent, $ per lb, in warehouse 11.25-11.45.

MERCURY: European free market, min 99.99 per cent, $ per flask, in warehouse 300-309.

MOLBDENUM: European free market, drummed molybdic oxide, $ per lb Mo, in warehouse 2.80-2.85.

SELENIUM: European free market, min 99.5 per cent, $ per lb, in warehouse 9.00-9.60.

TUNGSTEN ORE: European free market standard min 65per cent, $ per tonne unit WO₃ cif 66-72.

VANADIUM: European free market, min 98 per cent V_2O_5 other sources, $ per lb V_2O_5 cif 2.30-2.35.

URANIUM: Nuexco exchange value, $ per lb U_3O_8, cif 15.25.

LONDON MARKETS

COPPER PRICES rose to the highest level, in sterling terms, for nearly five years on *the London Metal Exchange* yesterday. Higher grade cash copper gained £9 to £1,152.5 a tonne, encouraged by a sharp recovery in the New York market overnight and the rally in gold back over $300.

Falling warehouse stocks, and reports of Chinese buying, have boosted the market recently but the main influence has been the decline in the value of sterling against the dollar.

The dollar price of copper remains at a very low historical level. In early dealings on the New York (Comex) market the March delivery position fell back below 58 cents a pound.

Free market platinum and silver folowed the rally in gold, while the advance in the zinc market continued pushing prices to the highest levels since June.

MAIN PRICE CHANGES

In tonnes unless otherwise stated

	Jan. 8 1985	+ or —	Month ago
METALS			
Aluminium	£1100		£1100
Free Mkt	$1005/1155	+20	$1175/1205
Copper			
Cash h Grade	£1152.5	+9	£1098.5
3 mths	£1159.75	+14	£1114.25
Gold troy oz	$302.5	+5.75	$332
Lead Cash	£384	+4.5	£333.5
3 mths	£329.75	+0.5	£329.75
Nickel	£5816		£5967
Free Mkt	216/246c	+1	212/252c
Palladium oz	$114.35	+1.10	$13959
Platinum oz	$274.15	+4.15	$320.50
Quicksilver†	$300/310		$295/305
Silver troy oz	525.95p	+16.10	585.25p
3 mths	539.05p	+16.85	601.80p
Tin cash	£9880	+37.5	£9846
3 mths	£9807.5	—5	£9807.5
Tungsten	$81.75		$83.34
Wolfram 22 04lb	$66/70		$75/77
Zinc	£717	+15.5	£638.5
3 mths	£707.5	+9	£640.5
Producers	$900		$900

	Jan. 8 1985	+ or —	Month ago
OILS			
Coconut (Phil)	$910y		$990
Palm Malayan	$585		$600
Seeds			
Copra Phil	$560y	—10	$560
Soyabean (U.S.)	$244.25	+6.3	$254.7
GRAINS			
Barley Fut. Mar	£113.60	—0.20	£113.60
Maize	£113.65	+0.15	£145.00
Wheat Fut.Mar	£113.50	+0.15	£113.86
No2 Hard Wint.	‡		‡
OTHERS			
Cocoa Ft. May.	£1945.5	+37	£1848.5
Coffee Ft. Mar.	£2280.5	—2.5	£2256.5
Cotton A index.	71.95c	+0.35	72.10c
Gas Oil Feb.	$226.75	+0.75	$231.5
Rubber (kilo)	62.25p	+0.25	60.5p
Sugar (raw)	$97.5y	+2.5	$113
Woolt'ps 64s	498p kilo	+2	483p kilo

‡ Unquoted. z Feb. y Jan-Feb. x Dec-Jan. † Per 75-lb flask. n Nominal C Cents per pound.

INDICES

FINANCIAL TIMES

Jan. 7	Jan. 4	M'th ago	Year ago
292.51	291.08	288.54	294.60

(Base: July 1 1952 = 100)

REUTERS

Jan. 8	Jan. 7	M'th ago	Year ago
1922.6	1915.4	1893.2	1971.4

(Base: September 18 1931 = 100)

MOODY'S

Dec. 27	Dec. 19	M'th ago	Year ago
965.9	966.4	—	14042.

(Base: December 31 1931 = 100)

DOW JONES

Dow Jones	Dec. 27	Dec. 19	Month ago	Year ago
Spot	121.99	122.83	—	140.42
Fut	124.35	125.68	—	143.53

(Base: December 31 1974 = 100)

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde.	£	£	£	£
Cash	1155-6	+10.5	1152-3	+9
3 months	1159-.5	+13.5	1159.5-60	+14
Settlem't	1156	+10.5	—	—
Cathodes				
Cash	1145 7	+12.5	1146-7	+15
3 months	1160-2	+14.5	1160-3	+15.5
Settlem't	1147	+15	—	—

Amalgamated Metal Trading reported that in the morning cash higher grade traded at £1,155, 55.5, three months £1,159, 59, 5, 60, 60.5, 60, 59.5, 59. *Kerb Higher Grade: Three months* £1,160, 59.5. Afternoon: Higher Grade: Three months £1,156, 57, 57.5, 58, 60, 60.5, 60, 59.5. Kerb: Higher Grade: Three months £1,164, 63.5, 63, 62.5, 62, 61, 60, 59, 58, 59. Turnover: 23,650 tonnes. U.S. Producers: 63.00-67.00 cents per pound.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde.	£	£	£	£
Cash	9805-10	—38.5	9875-85	+37.5
3 months	9800 5	—27.5	9855-45	+5
Settlem't	9810	—32	—	—
Standard.				
Cash	9800-10	—32.5	9875-85	+37.5
3 months	9760 5	—35	9805-10	—5
Settlem't	*9810*	—30	—	—
Straits E.	$29.15	—	—	—

Tin — Morning: Standard: Three months £9,770, 65. High Grade: Cash £9,805. Kerb: Three months £9,760, 65. Afternoon: Standard: Cash £9,850, three months £9,765, 85, 90, 95, 9,805, 10. Kerb: Three months £9,800, 9,790. Turnover: 1,000 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	380 2	—6.5	383-6	—
3 months	329.5 30	+.25	329.5-30	+.5
Settlem't	382	—6	—	—

Lead—Morning: Cash £379.5, 80, 85, 90, 85, 82, 80, *three months* £330, 29.5, 30 Kerb: Three months £329.5. Afternoon: Cash £385, 84, 85, three months £329.5, 29, 30 Kerb: Three months £329.5. Turnover: 16,250 tonnes. U.S. Spot: 19.00-26.00 cents per pound.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	717 8	+12.5	716-8	+13.5
3 month	707.5 8	+9.25	707 8	+8
Settlem't	718	+12	—	—

Zinc—High Grade Official/Unofficial prices: Cash am £758-63, pm £755-60. *Three months am £748-53, pm £747-50.* Settlement £703. Morning: Cash £718, three months £708, 9, 10, 9, 8, 8.5, 8. Kerb: Three months £708. Afternoon: Three months £707, 6, 7. Kerb: Three months £708, 8.5, 8. Turnover: 9,750 tonnes. U.S. Prime Western: 45.00-45.75 cents per pound.

ALUMINIUM

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	909 .5	+10.5	908-9	+4
3 months	931-.5	+9	931-.5	+5.5

Aluminium—Morning: Cash £909.5, three months £930, 30.5, 31, 31.5, 31, 33, 34, 33.5, 33, 32.5, 31.5. Kerb: Three months £933, 32. Afternoon: Three months £932, 31.5, 31, 31.5, 31. Kerb: Three months £932, 32.5, 33, 32, 31.5, 31, 30. Turnover: 15,250 tonnes.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. unofficial	+ or —†
Spot	4155-7	—55	4175-85	—35
3 months	*4192-3*	—25.5	*4205-10*	—17.5

Nickel — Morning: Three months £4,205, 2, 4,200, 4,195, 92. Kerb: Three months £4,195. Afternoon: Three months £4,205, 10.. Turnover: 1,164 tonnes.

GOLD

Gold rose $5¾ an ounce from Mon*day's close in the London bullion* market yesterday to finish at $302-$302½. The metal opened at $302½-$303¼ and traded between a high of $305¼-305¾ and a low of $300¾-301. Short-covering pushed gold up from its opening level but this tailed off in the afternoon as the dollar attracted renewed support and the metal fell back accordingly.

LONDON FUTURES

Month	Yest'days close	+ or —	Business Done
	$ per troy ounce		
Jan.	—	—	—
Feb.	301.30-02.00	+3.40	305.90-02.40
April	304.90-06.00	+3.10	309.20-08.60

Turnover: 50 (203) lots of 100 troy *ounces.*

GOLD BULLION (fine ounce) Jan. 8

Close	$302 302½	(£262¼-262¾)
Opening	$302¾-303¼	(£262¼-262¾)
M'n'g fix.	*$304.40*	(£263.276)
Aft'n'n fix.	$302.00	(£263.267)

GOLD AND PLATINUM COINS

Kr'g' r'nd	$311½-312	(£270¾-271¾)
½ Krug.	$160¼-161	(£139¼-140)
¼ Krug.	*$81¼-82½*	*(£71-71¾)*
1/10 Krug.	$33¼-34	(£29-29½)
Maple leaf	$311½-312	(£270¾-271¼)
New Sov.	$71½-72	(£62¼-62½)
½New Sov.	$43¼-44	(£37½-38¼)
Old Sov.	$71½-73	(£62-63½)
$20 Eagle	$490-520	(£426-452)
Noble Plat	*$281¾-286*	*(£245-248)*

SILVER

Silver was fixed 16.1p an ounce higher for spot delivery in the London bullion market yesterday at 525.95p. U.S. cent equivalents of the fixing levels were: spot 607.5c, up 24.5c; three-month 619.9c, up 25.1c; six-month *633.5c, up 24.6c; and 12-month 666.3c,* up 26.0c. The metal opened at 524-527p (605-608c) and closed at 521-524p (600-603c).

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	525.95p	+16.0	524p	+16.5
3 months.	539.05p	+16.8	537p	+16.8
6 months.	552.10p	+16.2	—	—
12months	580.65p	+16.9	—	—

LME—(2,000 oz contract): Cash 524p (507.5p); three months 537p (520.15p). Turnover: 0 (0).

Turnover: 60 (50) lots of 10,000 oz.

Morning: Large 1st ring three months 539; 2nd ring cash 524, three months 537.5, 37.6. Kerb: Untraded. Afternoon: Large 2nd ring three months 537.5. Kerb: Three months 537.

COCOA

Despite a recovery by sterling the market found enough inspiration to breach chart points. A surprising lack *of origin activity further encouraged* the commission houses and provided a strong close, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	1832 1833	+36.5	1935-1900
May	1945-1946	+37.0	1945-1915
July	1951-1952	+39.0	1952-1924
Sept	1949 1950	+30.5	1951-1926
Dec	1886 1888	+19.5	1890-1875
Mar	1880-1885	+17.0	1885-1875
May	1865-1885	—45.0	—

Sales: 4,863 (2,624) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily price for January 8: 98.07 (95.83): five-day average for January 9: 96.96 (95.57).

COFFEE

After opening lower against a recovery in sterling, prices remained within a narrow range in light volume, reports Drexel Burnham Lambert. Buying interest in the near January/March spread created a £25 rally in the spot *position but, despite a retreat in* sterling, other contracts failed to breach recent resistance levels.

COFFEE	Yesterd'ys Close	+ or —	Business Done
January	2244-48	+1.0	2253 36
March	2280-81	—3.5	2286-75
May	2286 88	·2.0	2295 84
July	2292 94	—1.0	2297 92
Sept.	2292 93	—5.0	2300-93
Nov.	*2293 95*	*—3.0*	*2300*
Jan	2285 00	—5.0	2290

Sales: 1,737 (1,767) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for January 7: Comp. daily 1979 133.44 (133.48); 15-day average 133.60 (133.66).

GRAINS

Wheat rose by up to 35p on good spot demand but met profit-taking to ease back, reports Muirpace.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterd's close	+ or —
Jan	110.90	+0.15	111.25	—0.15
Mar	113.65	+0.15	113.60	—0.20
May	117.30	—0.05	116.45	—0.25
July	119.55	+0.20	—	—10
Sept	97.95	—0.15	98.00	—0.
Nov	101.30	—0.10	101.30	—0.10

Business done—Wheat: Jan 111.05-1.00, *Mar* 113.80-3.65, May 117.50-7.35, July 119.60-9.50, Sept 98.00 only. Nov *untraded. Sales:* 143 lots of 100 tonnes. Barley: Jan 111.50-1.25, Mar 113.90-3.70, May 116.65-6.60. Sept and Nov untraded. Sales: 82 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. dark northern spring no 1 14 per cent Jan *169.10, Feb 171.10, March 172.85 trans*shipment east coast. U.S. No 2 soft red winter Jan 152, Feb 151.75, March 151.50. English feed fob April 116.50-117.50 east coast. Maize: U.S. No 3 yellow/French Dec/Jan 146.50 transshipment east coast. Barley: English feed fob Jan 115.25 Dover. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: S East 108.70, S West 109.80, W Mids 107.90, N West 107.40 The UK monetary coefficient *for the week beginning Monday* January 14 (based on HGCA calculations using five days' exchange rates) is expected to remain unchanged.

PIGMEAT

Trade selling in lacklustre conditons forced prices lower despite unchanged physical prices, reports CCST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
Feb.	110.20	110.70	109.90
April.	108.80	109.70	109.00-108.50
June	106.80	106.70	106.90-106.50
Aug	103.60	103.40	103.40
Oct.	109.90	109.70	109.50
Nov.	110.20	110.20	110.20

Sales: 63 (41) lots of 50 carcases. 3,250 kg.

POTATOES

Follow-through buying on the opening lifted prices £1.50 before profit-taking took over, forcing prices down, with short-term stop-loss selling add*ing to the pressure, reports Coley and* Harper.

Month	Yesterdy's close	Previous close	Business Done
	£ per tonne		
Feb.	46.80	48.40	48.50-46.50
April	58.00	59.90	61.40-57.60
May	60.50	62.90	64.00-60.10
Nov	70.50	70.80	—
Feb	82.50	82.50	—

Sales: 729 (697) lots of 40 tonnes.

OIL

European refiners and traders actively sought February North Sea *crudes and prices moved steadily up*wards all day. Nymex opened 18c up, gained a further 20c during the morning but lost it by 1 pm EST. *In the* petroleum products market greater demand for gas oil and fuel oil continued due to the widespread cold weather. *Although consumer stocks in* France and Germany are low supplies at Rotterdam are plentiful, which helped to brake rising prices—Petroleum Argus, London.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arab Light	28.00 28.20	+0.20
Arab Heavy	26.50-26.60	+0.15
Dubai	27.20-27.40	+0.10
Brent Blend	26.70-26.80	+0.45
W.T.I. (1pm est)	25.75-25.85*	+0.20
Forcados (Nigeria)	27.00-27.15	+0.05
Urals (cif NWE)	26.70-27.00	—
PRODUCTS—North West Europe *"cif" ($ per tonne*		
Premium gasoline	234 236	—1
Gas Oil	227-228	+1
Heavy fuel oil	181-185	+0.5

*February.

Petroleum Argus Estimates

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Jan	228.25	+0.50	230.75-28.00
Feb.	226.75	+0.75	230.00-26.00
March	221.50	+0.50	224.50 21.25
April	218.00	+0.50	221.50-17.75
May	217.00	+1.25	221.00-17.00
June	218.50	+4.00	218.50
July	220.00	+7.00	220.00

Turnover: 3,040 (3,099) lots of 100 tonnes.

RUBBER

PHYSICALS — The London market opened slightly steadier following buffer stock buying in Malaysia of 300-500 tonnes and closed quiet, reports Lewis and Peat. Closing prices (buyers): Spot 62.25p (62.00p); Feb 72.5 *(72.00p); March 73.25p (73.00p).* The Kuala Lumpur Jan fob price for RSS No 1 was 182.5 (180.25) and for SMR 20 was 180.5 (179.0).

SOYABEAN MEAL

The market opened £1.00-£1.50 higher in very active trading, reports T. G. Roddick. Commission House support during the afternoon pushed the market higher.

	Yesterday close	+ or —	Business Done
	£ per tonne		
Feb.	145.0-145.5	+2.05	145.8-144.5
April	145.1 145.5	+2.55	146.0
June	146.1 146.8	+1.70	146.2-145.8
August	147.2-147.8	+1.25	147.7-147.5
October	148.6-150.0	+1.25	149.5
Dec	149.0-151.0	+1.25	--
Feb	—	—	—

Sales: 674 (99) lots of 20 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar $97.50 (£84.50), up $2.50 (up £1.50) a tonne for January-February delivery. White sugar $137.00, up $2.50. The market opened on a steady note and this proved the low point for the day as light support pushed values $2.00 higher before profit-taking late in the afternoon eroded half the gains, reports C. Czarnikow.

No.6 Contract	Yest'day's close	Previous close	Business done
	$ per tonne		
Mar	121.2-121.4	119.6-119.8	122.0-120.6
May	129.2 129.6	127.2 127.5	130.0-127.8
Aug	140.2-140.4	138.2-138.6	140.6 139.6
Oct	147.2-147.6	145.0-145.4	147.8-146.4
Dec	153.6-154.8	151.8-153.8	153.8
Mar	169.0-169.6	166.8 167.4	169.2-168.4
May	175.2-176.4	173.8	174.8

Sales: 1,869 (1,129) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £191.0 (£188.50) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for January 7: Daily price 3.27 (3.23*): 15-day average 3.30 (3.32).

* Official correction.

U.S. MARKETS

HEATING OIL opened strong on short-coverings but eroded steadily as markets began to discount reports of cold weather; going into the close, the market was mixed due to denials by the UK that it was lowering its prices, reports Heinold Commodities. Grains and soyabeans finished moderately to sharply lower as traders pressured values in line with declining currency markets. Gold and silver came under pressure as the dollar strengthened and aluminium and copper reversed early gains to show losses at the close. Sugar ***recovered on light bargain*** **hunting by commission houses. Cocoa rallied on reports of dry weather adversely affecting the** ***Brazilian crop. Coffee closed*** **steady on light commission house buying. Cotton weakened on fresh producer selling.**

NEW YORK

ALUMINIUM 40,000 lbs, cents/lb

	Close	High	Low	Prev
Jan	46.80	—	—	46.90
Feb	47.05	—	—	47.20
March	47.45	49.00	46.90	47.60
May	48.25	48.55	47.80	48.40
July	49.05	49.45	49.45	49.20
Sept	49.85	—	—	50.00
Dec	51.05	—	—	51.20
Jan	51.45	—	—	51.60
March	52.25	—	—	52.40
May	53.05	—	—	53.20

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
March	2082	2099	2079	2067
May	2108	2117	2100	2086
July	2109	2115	2100	2083
Sept	*2110*	*2115*	*2100*	2085
Dec	2050	2058	2045	2035
March	2058	2055	2050	2038
May	2048	—	—	2028

COFFEE "C" 37,000 lbs, cents/lb

	Close	High	Low	Prev
March	*142.38*	*42.80*	41.90	42.21
May	139.79	40.10	39.35	39.60
July	138.25	38.50	38.00	38.20
Sept	136.75	37.00	36.50	36.82
Dec	135.45	35.35	35.35	35.35
March	134.03	—	—	33.28
May	133.03	—	—	33.01

COPPER 25,000 lbs, cents/lb

	Close	High	Low	Prev
Jan	56.75	56.95	56.95	57.15
Feb	57.05	—	—	57.46
March	57.45	58.30	57.10	57.85
May	58.05	58.90	57.75	58.45
July	58.65	59.45	58.35	59.05
Sept	59.20	60.00	59.10	59.60
Dec	60.15	60.95	60.10	60.55
Jan	60.45	—	—	60.90
March	61.15	61.85	61.50	61.60
May	61.80	—	—	62.25

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
March	67.04	67.40	66.85	67.46
May	67.92	68.00	67.75	68.16
July	68.49	68.80	68.35	68.56
Oct	68.32	68.40	68.36	68.40
Dec	68.40	68.60	68.35	68.60
March	69.55	69.60	69.60	69.70
May	70.35	—	—	70.35

CRUDE OIL (LIGHT) 42,000 US gallons, $/barrel

	Latest	High	Low	Prev
Feb	25.51	25.96	25.41	25.56
March	25.53	25.98	25.46	25.80
April	25.50	25.96	25.45	25.54
May	25.48	25.88	25.43	25.50
June	25.45	25.84	25.45	25.49
July	25.62	25.62	25.62	25.48
August	25.72	25.72	25.66	25.47
Sept	—	—	—	25.47
Oct	—	—	—	25.47
Nov	25.45	25.69	25.69	25.47

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Jan	296.7	*300.0*	*300.0*	302.2
Feb	298.0	305.0	297.5	303.7
March	300.0	304.5	302.5	305.8
April	301.7	308.9	301.3	307.5
June	306.0	313.3	305.5	311.9
August	310.4	318.0	310.0	316.4
Oct	315.0	318.8	318.0	321.1
Dec	320.0	327.6	322.5	326.1
Feb	325.2	—	—	331.4
April	330.5	335.0	335.0	336.8
June	338.4	—	—	342.8
August	342.4	—	—	348.9
Oct	346.6	—	—	355.2

HEATING OIL 42,000 US gallons, cents/US gallon

	Latest	High	Low	Prev
Feb	72.40	73.50	72.25	72.25
March	70.10	71.45	69.85	70.59
April	*68.05*	*69.10*	*67.85*	*68.33*
May	67.05	67.95	67.00	67.30
June	66.70	67.50	66.70	67.10

ORANGE JUICE 15,000 lbs, cents/lb

	Close	High	Low	Prev
Jan	*156.65*	*57.60*	*56.50*	*58.45*
March	158.90	60.10	58.25	60.50
May	160.30	60.75	60.05	61.50
Sept	158.00	58.80	58.00	59.50
Nov	157.25	57.25	57.25	60.00
Jan	156.25	—	—	59.00
March	156.25	—	—	59.00

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Jan	267.4	276.7	271.0	275.0
Feb	284.0	—	—	—
April	271.7	280.3	271.0	279.4
July	277.7	285.0	277.0	285.4
Oct	284.2	292.5	286.0	291.9
Jan	291.1	296.0	294.0	296.8

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Jan	586.8	604.0	585.0	604.8
Feb	589.5	—	—	607.9
March	593.5	615.0	592.0	612.0
May	602.1	624.5	600.0	620.7
July	611.2	634.0	611.0	630.0
Sept	621.1	642.0	622.0	640.1
Dec	*637.1*	*659.0*	*637.0*	*655.3*
Jan	642.8	656.0	656.0	661.8
March	653.6	676.0	660.0	673.8
May	665.6	—	—	685.3

SUGAR WORLD "11" 112,000 lbs, cents/lb

	Close	High	Low	Prev
March	4.29	4.30	4.22	4.24
May	4.62	4.65	4.60	4.59
July	5.00	5.05	4.97	4.98
Sept	5.24	5.27	5.24	5.21
Oct	5.43	5.45	5.39	5.38
Jan	5.91	5.95	5.91	5.81
March	6.42	6.44	6.38	6.35
May	6.60	6.70	6.70	6.58

SPOT PRICES — Chicago loose lard 24.50 (24.25) cents per pound. New York tin 510.0-25.0 (507.0-25.0) cents *per pound. Hary and Harman silver* bullion 601.0 (579.5) cents per troy ounce.

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Feb	64.35	66.12	64.30	65.77
April	66.07	67.52	65.95	67.30
June	66.52	67.72	66.35	67.45
August	65.02	65.90	64.80	66.10
Oct	63.20	63.85	63.10	63.80
Dec	64.75	65.07	64.75	65.00

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
Feb	52.00	53.27	51.90	52.87
April	49.10	50.55	48.95	49.77
June	53.87	54.57	53.70	54.05
July	54.42	55.05	54.25	54.50
August	53.62	54.00	53.42	53.45
Oct	49.05	49.35	48.75	49.05
Dec	49.25	49.50	49.10	49.40
Feb	48.10	49.40	48.10	49.20
April	46.20	46.20	46.20	46.20

MAIZE 5,000 bu min, cents/56lb-bushel

	Close	High	Low	Prev
March	268.2	270.2	268.0	270.2
May	274.4	276.4	274.2	276.4
July	277.6	279.4	277.6	279.4
Sept	271.2	273.2	271.2	273.4
Dec	266.2	268.4	266.2	268.4
March	276.4	279.2	276.4	279.2
May	283.4	285.0	283.4	285.4

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
Feb	73.45	76.10	73.45	75.45
March	73.62	76.15	73.62	75.62
May	75.12	77.67	75.12	77.12
July	75.75	78.30	75.55	77.45
August	73.10	75.80	73.10	74.37
Feb	*67.02*	*69.52*	*66.75*	*67.52*
March	68.00	69.00	68.00	68.00

SOYABEANS 5,000 bu min, cents/60lb-bushel

	Close	High	Low	Prev
Jan	568.2	574.4	567.4	575.2
March	578.2	586.0	577.4	586.0
May	589.0	597.4	588.4	597.4
July	597.6	606.0	597.0	606.2
August	598.0	608.0	598.0	608.4
Sept	595.4	605.0	595.4	606.0
Nov	597.2	608.4	597.0	606.6
Jan	610.0	621.0	610.0	622.0
March	624.0	630.0	624.0	636.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
Jan	138.0	139.0	137.3	138.8
March	143.0	146.1	142.3	143.9
May	148.4	150.7	148.0	149.3
July	153.6	155.7	153.0	154.3
August	156.1	158.0	155.0	156.0
Sept	157.0	159.0	157.0	157.0
Oct	157.0	159.5	157.0	157.0
Dec	*163.0*	*164.0*	*162.6*	*163.2*

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
Jan	25.72	25.98	25.60	26.10
March	24.99	25.45	24.92	25.66
May	24.53	25.06	24.40	25.17
July	24.03	24.60	23.90	24.63
August	23.75	24.30	23.75	24.38
Sept	23.65	24.00	23.55	24.20
Oct	23.30	23.85	23.25	23.90
Dec	22.95	23.50	22.90	23.75

WHEAT 5,000 bu min, cents/60lb-bushel

	Close	High	Low	Prev
March	340.0	342.6	340.2	341.4
May	334.0	336.6	334.0	336.0
July	329.2	332.2	329.0	331.0
Sept	329.2	*332.4*	329.2	*331.4*
Dec	338.4	341.4	338.4	342.0
March	342.0	—	—	346.0

OTHER MARKETS

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Jan 500, 508, 508; Mar 511, 513, 512-510; May 521, 523, 520-519; Aug 535, 536, 536-533; Oct 537, 538, 536-535; Dec 537, 539, 538; Jan 538, 540, 539-538; Mar 547, 549, 547-546; May 554, 556, 554-553. Sales: 111.

SYDNEY GREASY WOOL—*Close (in* order: buyer, seller, business). Australian cents per k. Mar 581.5, 582.0, 581.5; May 585.0, 590.0, untraded; July 592.0, 600.0, u/t; Oct 575.0, 585.0, u/t; Dec 586.0, 590.0, u/t; Mar 592.0, 600.0, u/t; May 598.0, 605.0, u/t; July 605.0, 610.0, 605.0. Sales: 14.

LIVERPOOL—Spot and shipment sales amounted to 112 tonnes. Minor replacements were required and scattered operations were mentioned in Russian types, African growths were supported in numerous directions.

PARIS

SUGAR—(FFr per tonne): March 1,356-1,358, May 1,409-1,410, Aug 1,491-1,495, Oct 1,545-1,555, Dec 1,620-1,635, March 1,730-1,740.

COCOA—(FFr per 100 kg): March 2,118-2,121, May 2,125-2,133, July 2,130 bid, Sept 2,135 bid, Dec 2,080-2,100, March 2,085 bid, May 2,080 bid.

MEAT

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 78.0 to 86.0; English hindquarters 102.0 to 107.0, forequarters 57.0 to 59.0. Veal: Dutch hinds and ends 124.0 to 128.0. Lamb: English small 76.0 to 84.0, medium 74.0 to 82.0, heavy 70.0 to 74.0; Scottish medium 74.0 to 78.0, heavy 71.0 to 74.0; Imported: New Zealand PL (new season) 70.0 to 71.0, PX (old season) 65.0 to 66.0. Pork: English, under 100 lb 55.0 to 63.0, 100-120 lb 55.5 to 61.0, 120-160 lb 48.0 to 56.0

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 97.76p per kg lw (+2.46). GB—Sheep 171.08p per kg est dcw (—16.28). GB—Pigs 84.54p per kg lw (—1.23).

ROTTERDAM

ROTTERDAM, January 8.

WHEAT—(U.S. $ per tonne) U.S. No. 2 Soft Red Winter: Jan 159.50, Feb 159, March 158.50, April 156.50. U.S. No. 2 Northern Spring, 14 per cent protein: Spot 177, Jan 181, Feb 183, March 185, April/May 170. U.S. Northern Spring, 15 per cent protein: Spot 196, April/May 188. U.S. No. 3 Hard Amber Durum: Jan 202, April/May 187, June 186, Sept 185. Canadian No. 1 Western Amber Durum: April/May 203.

MAIZE—(U.S. $ per tonne) U.S. No. 3 Yellow: Afloat 133, Jan 133, Feb 132.50, March 132.50, April/June 133.50, July/Sept 135, *sellers. Argentine Plate:* March 138, April/June 135, sellers.

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CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar easier but above lows

The dollar lost ground in currency markets yesterday following heavy selling in the U.S. on Monday. It finished above opening levels however as the lower quotations generated fresh interest. Trading was nervous for most of the day in the absence of any clear trend. The dollar's failure to hold above DM 3.1800 was seen as the main reason behind the liquidation of many long positions but it remained unclear as to whether the fall reflected a mere breathing space or any longer term implication of the recent fall in U.S. interest rates.

Consequently there appeared to be little incentive to push the dollar too far in either direction. it closed at DM 3.1540 from DM 3.1760 and SwFr 2.6355 compared with SwFr 2.6460. It was also weaker in terms of the yen at Y253.70 from Y255.85 and FFr 9.6625 compared with FFr 9.7175. On Bank of England figures, the dollar's trade weighted index fell to 145.7 from 146.3

STERLING — Trading range against the dollar in 1984-85 is 1.4940 to 1.1420. December average 1.1873. The exchange rate index rose to 72.7 from 72.6, having touched a high of 72.8, and compared with a six-months-ago figure of 77.9.

Sterling managed to hold on to most of the day's gains despite better than expected UK money supply figures and the reduced possibility of higher clearing bank base rates. Against the dollar it closed at $1.1475-1.1485, a rise of 60 points. It was slightly easier against the D-Mark at DM 3.6200 from DM 3.6250 and Y291.25 from Y292.0. It rose in terms of the Swiss franc, however, to SwFr 3.0250 from SwFr 3.0225 and FFr 11.1500 from FFr 11.0950.

D-MARK — Trading range against the dollar in 1984-85 is 3.1760 to 2.5535. December average 3.1021. Trade weighted index 120.4 against 124.6 six months ago.

The dollar was fixed at DM 3.1385 at yesterday's fixing in Frankfurt, down from DM 3.1767 on Monday and there was no intervention by the Bundesbank. European markets were rather reluctant to push the dollar far from its weaker opening levels as it was unclear as to whether the downward correction represented a reaction to the dollar's failure to breach DM 3.18 or a concerted downward trend in response to lower U.S. interest rates.

Elsewhere sterling was lower at DM 3.6270 from DM 3.6340, and the Swiss franc eased to DM 1.1969 from DM 1.2029. Within the EMS the Belgian franc fell to DM 4.9940 per BFr 100 from DM 4.9990 and the French franc was lower at DM 32.665 per FFr 100 compared with DM 32.675.

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu January 8	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	44.6412	−0.58	+0.08	±1.5428
Danish Krone ...	8.14104	7.96512	−2.16	−1.50	±1.6421
German D-Mark	2.24184	2.22931	−0.56	+0.10	±1.1463
French Franc ...	6.87456	6.82619	−0.70	−0.04	±1.3659
Dutch Guilder ...	2.52595	2.51821	−0.31	+0.35	±1.5165
Irish Punt	0.72569	0.713236	−1.72	−1.06	±1.6671
Italian Lira	1403.49	1368.64	−2.48	−2.39	±4.0511

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

STERLING EXCHANGE RATE INDEX

(Bank of England)

	Jan 8	Previous
8.30 am	72.7	72.5
9.00 am	72.7	72.6
10.00 am	72.8	72.5
11.00 am	72.8	72.6
Noon	72.8	72.5
1.00 pm	72.8	72.6
2.00 pm	72.8	72.5
3.00 pm	72.6	72.6
4.00 pm	72.7	72.6

£ in New York

	January 8	Prev. close
£ Spot	$1.1475-1.1485	$1.1525-1.153
1 month	0.16-0.14 pm	0.16-0.15 pm
3 months	0.47-0.43 pm	0.47-0.44 pm
12 months	0.75-0.60 pm	0.82-0.72 pm

Forward premiums and discounts apply to the U.S. dollar.

POUND SPOT—FORWARD AGAINST POUND

Jan 8	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.1455-1.1590	1.1475-1.1485	0.16-0.13c pm	1.52	0.50-0.45pm	1.65
Canada	1.5180-1.5255	1.5165-1.5185	0.02c-0.06dis	−0.16	0.21-0.07pm	0.37
Nethlnd.	4.08¾-4.10½	4.08¾-4.09¾	1½-1¼c pm	4.21	4⅝-4⅜pm	4.28
Belgium	72.35-72.75	72.35-72.45	2-7c dis	−0.75	2-11dis	−0.38
Denmark	12.93-12.97	12.94-12.95	2⅞-3⅞ore dis	−2.85	5¼-6¾dis	−1.93
Ireland	1.1585-1.1640	1.1605-1.1615	0.42-0.52p dis	−4.86	1.02-1.27d	−3.94
W. Ger.	3.61½-3.63¾	3.61½-3.62½	1½-1¼pf pm	4.56	4⅝-4⅜pm	4.83
Portugal	194.75-197.75	194.75-196.10	—	—	715-169d	−24.72
Spain	199.20-200.20	199.25-199.55	40-55c dis	−2.85	120-145dis	−2.66
Italy	2,219½-2,232½	2,223¼-2,224¼	6-10lire dis	−4.32	19-24dis	−3.87
Norway	10.46-10.52	10.46¾-10.47¾	2⅞-3⅞ore dis	−3.37	6½-7¼dis	−2.63
France	11.09-11.15½	11.14½-11.15½	⅜-1¼c dis	−0.81	⅜-1⅞dis	−0.47
Sweden	10.36-10.40½	10.36-10.37	1-1½ore dis	−1.45	3-3¾dis	−1.30
Japan	290¾-293½	290¾-291¾	1.08-0.99y pm	4.22	2.84-2.71pm	3.81
Austria	25.40-25.50	25.45-25.48	6⅞-5¾gro pm	2.77	19⅝-16⅞pm	2.77
Switz.	3.02-3.03¼	3.02-3.03	1½-1¼c pm	5.21	4¼-3¾pm	5.21

Belgian rate is for convertible francs. Financial franc 72.80-72.90. Six-month forward dollar 0.70-0.65c pm. 12-month 0.85-0.70c pm.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Jan 8	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.1455-1.1590	1.1475-1.1485	0.16-0.13c pm	1.52	0.50-0.45pm	1.65
Ireland†	0.9893-0.9965	0.9893-0.9903	0.56-0.52c pm	6.52	1.45-1.35pm	5.63
Canada	1.3183-1.3210	1.3205-1.3210	0.17-0.20c dis	−1.68	0.40-0.45d	−1.50
Nethlnd.	3.5400-3.5720	3.5625-3.5635	0.72-0.69c pm	2.38	2.22-2.19pm	2.48
Belgium	62.79-63.26	63.10-63.20	9-10c dis	−1.81	21-23dis	−1.40
Denmark	11.18½-11.29¼	11.27¼-11.27¾	3.50-4.00ore dis	−4.01	9.20-9.80d	−3.39
W. Ger.	3.1320-3.1615	3.1535-3.1545	0.75-0.70pf pm	2.77	2.19-2.14pm	2.76
Portugal	168¾-171	169½-170	250-530c dis	−27.61	700-1550d	−26.55
Spain	172.80-174.05	173.35-173.45	60-70c dis	−4.50	175-195dis	−4.27
Italy	1,926-1,937½	1,933-1,934	10-10½lire dis	−6.37	25-26¼dis	−5.47
Norway	9.07¾-9.12½	9.12-9.12½	3.60-4.10ore dis	−5.08	9.80-10.30d	−4.42
France	9.60-9.67½	9.66-9.66½	2.00-2.10c dis	−2.56	5.20-5.50d	−2.22
Sweden	8.98½-9.03¼	9.02½-9.03	2.10-2.60ore dis	−3.13	6.40-6.90d	−2.95
Japan	253.35-254.65	253.65-253.75	0.54-0.50y pm	2.46	1.41-1.36pm	2.18
Austria	22.01-22.19½	22.11-22.14	2.30-1.70gro pm	1.09	7.00-5.00pm	1.09
Switz.	2.6175-2.6410	2.6350-2.6360	0.76-0.70c pm	3.34	2.40-2.34pm	3.61

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 63.40-63.50.

OTHER CURRENCIES

Jan. 8	£	$		£ Note Rates
Argentina Peso	215.89-216.26	187.49-187.64	Austria	25.35-25.65
Australia Dollar	1.4160-1.4180	1.2270-1.2280	Belgium	72.60-73.40
Brazil Cruzeiro	3,714-3,738	3,228-3,244	Denmark	12.88-13.01
Finland Markka	7.5795-7.5975	6.5630-6.5650	France	11.05-11.16
Greek Drachma	146.90-149.65	127.89-129.87	Germany	3.61-3.64
HongKong Dollar	8.9550-8.9650	7.8010-7.8040	Italy	2215-2250
Iran Rial	107.75*	93.90*	Japan	292-297
KuwaitDinar(KD)	0.3500-0.3505	0.30480-0.30490	Netherlands	4.08-4.12
Luxembourg Fr.	72.35-72.45	63.10-63.20	Norway	10.44-10.55
Malaysia Dollar	2.8300-2.8400	2.4640-2.4655	Portugal	185-209
New Zealand Dlr.	2.4405-2.4455	2.1130-2.1160	Spain	196¼-206
Saudi Arab Riyal	4.1145-4.1200	3.5810-3.5820	Sweden	10.35-10.45
Singapore Dollar	2.5250-2.5350	2.1965-2.1980	Switzerland	3.01½-3.04½
Sth African Rand	2.4000-2.4125	2.0855-2.0900	United States	1.14½-1.16½
U.A.E. Dirham	4.2190-4.2240	3.6720-3.6730	Yugoslavia	270-306

* Selling rate.

CURRENCY MOVEMENTS

Jan. 8	Bank of England Index	Morgan Guarant'y Changes%
Sterling	72.7	−18.2
U.S. dollar	145.7	+31.6
Canadian dollar	91.0	−3.0
Austrian schilling	110.2	+3.5
Belgian franc	88.8	−10.0
Danish Kroner	76.6	−4.9
Deutsche mark	120.4	+5.9
Swiss franc	137.4	+8.0
Guilder	110.2	+2.8
French franc	63.5	−16.5
Lira	46.8	−13.4
Yen	153.6	+10.5

Morgan Guaranty changes: average 1980-1982=100. *Bank of England Index* (base average 1975=100).

CURRENCY RATES

Jan. 8	Bank rate %	Special Drawing Rights	Europ'n Currency Unit
Sterling	—	*0.847817*	*0.613974*
U.S. $	8	0.979568	0.708956
Canadian $	9.95	*	0.935113
Austria Sch.	4½	21.5867	15.6457
Belgian Fr	11	61.6636	44.6412
Danish Kr	7	10.9810	7.96512
Dmark	4½	3.07437	2.22931
Guilder	5	3.47698	2.51821
French Fr	9½	9.42344	6.82619
Lira	15½	1890.08	1368.64
Yen	5	248.908	179.898
Norway Kr	8	8.90526	6.44867
Span'h Pta	½	169.576	122.791
Swedish K	9	8.80828	6.38309
Swiss Fr	4	2.56911	1.86101
Greek Dr'ch	20½	125.806	90.7819
Irish Punt	12¾	N/A	0.713236

* C$/SDR rate for January 7: 1.28934.

EXCHANGE CROSS RATES

Jan. 8	Pound St'rling	U.S. Dollar	Deutsche m'k	J'panese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Frank
Pound Sterling	1.	1.148	3.620	291.3	11.15	3.025	4.093	2224.	1.518	72.40
U.S. Dollar	0.871	1.	3.154	253.7	9.663	2.636	3.565	1934.	1.322	63.15
Deutschemark	0.276	0.317	1.	80.46	3.080	0.836	1.131	614.4	0.419	20.00
Japanese Yen 1,000	3.433	3.942	12.43	1000.	38.28	10.39	14.05	7637.	5.210	248.6
French Franc 10	0.897	1.030	3.247	261.2	10.	2.713	3.670	1995.	1.361	64.93
Swiss Franc	0.331	0.380	1.197	96.28	3.686	1.	1.353	735.3	0.502	23.93
Dutch Guilder	0.244	0.281	0.885	71.17	2.724	0.739	1.	543.5	0.371	17.69
Italian Lira 1,000	0.450	0.516	1.628	130.9	5.013	1.360	1.840	1000.	0.683	32.55
Canadian Dollar	0.659	0.757	2.385	191.9	7.348	1.993	2.697	1466	1.	47.71
Belgian Franc 100	1.381	1.586	5.000	402.3	15.40	4.178	5.653	3072.	2.096	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Jan. 8	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short term	9-9¼	8¼-8⅜	10½-10⅞	5¾-5⅞	4-5¼	5⅛-5⅜	10⅛-10⅝	13-14	10½-11	10¾-11	6⁵⁄₁₆-6⁷⁄₁₆	12¾-13¼
7 days' notice	9⅛-9⅜	8⅛-8¼	9⅝-9⅞	5⅝-5⅞	2¾-3	5⁵⁄₁₆-5⁷⁄₁₆	10⅜-10⅝	14¼-15¼	10½-11	10⅝-10⅞	6-6⅛	12⅝-13⅛
Month	9⁵⁄₁₆-9⁷⁄₁₆	8⅛-8¼	9⅝-9¾	5¾-5⅞	4⁵⁄₁₆-4⁷⁄₁₆	5½-5⅝	10⅜-10⅝	14⅝-14⅞	10½-11	10⅝-10⅞	6⁵⁄₁₆-6⅛	11¾-12¼
Three months	10-10⅛	8⅜-8½	9¾-9⅞	5¾-5⅞	4⁵⁄₁₆-4⁷⁄₁₆	5½-5⅝	10⅝-10⅞	14⅛-14⅝	10½-11	10⅝-10⅞	6⅛-6¼	11¾-12¼
Six months	10¼-10⅜	8⅞-9	9⅞-10⅛	5⅞-6	4⁵⁄₁₆-4⁷⁄₁₆	5⅜-5⅝	10⅝-10⅞	14¼-14⅝	10½-11	10⅝-10⅞	6⅛-6⅜	11⅝-12⅛
One year	10½-10⅝	9⅜-9½	10⅛-10½	6-6⅛	4¼-4⅜	5⅝-5¾	11¼-11⅝	14¼-14¾	10⅝-11⅛	10⅝-10⅞	6⅛-6¼	11⅝-12⅛

Asian $ (closing rates in Singapore): Short-term 8⅛-8¼ per cent: seven days 8⅜-8½ per cent: one month 8⅜-8½ per cent: three months 8⅜-8½ per cent: six months 8⅞-9 per cent: one year 9⅜-9½ per cent. Long-term Eurodollars: two years 10⅝-10⅞ per cent: three years 11⅛-11⅜ per cent: four years 11¼-11½ per cent: five years 11½-11⅞ per cent nominal rates. Short-term rates are call for U.S. dollars and Japanese yen: others two days' notice.

MONEY MARKETS

Rates down on money supply

Interest rates declined on the London money market yesterday afternoon, following publication of the mid-December UK money supply figures. These were still distorted by the British Telecom share issue, and dealers remained confused about the immediate prospect for rates. The fall of ½ per cent in sterling M3 was towards the lower end of the expected range, but the market was less happy with a dise of £1.5bn in bank lendang during the month.

Although it is generally felt that the M3 figure was good enough to discourage higher base rates in the next day or so, the weakness of the pound and the present high level of interest rates on paper in the market, compared with base rates, still left dealers unsure whether the present structure can be maintained.

UK clearing banks' base lending rate 9½-9¾ per cent since November 23.

Three-month interbank fell to *10⅞ per cent from 10¹⁵⁄₁₆* per cent, while discount houses buying rates for three-month bank bills declined to 9¼-9⅝ per cent from 9⅞-10 per cent.

The Bank of England gave help of £234m to the London money market yesterday on an estimated shortage of £200m. All the assistance was provided before lunch, with some of the longer dated bank bills bought at a higher level than previous dealing rates to keep the market calm ahead of the monthly money supply figures.

There was no help in the afternoon. after the authorities bought £60m bank bills in band 2 (15-33 days maturity) at 9⅝ per cent; £63m local authority bills in band 3 (34-63 days) at 9½ per cent; £2m bank bills in band 3 at 9½ per cent; and £109m bank bills in band 4 (64-91) days at 9¼-9½ per cent, compared with 9½-9¹¹⁄₁₆ per cent on Monday, and 9½ per cent on Friday.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills from Friday's tender drained £150m, with Exchequer transactions absorbing another £235m. These were partly offset by a fall in the note circulation adding £115m to liqudity and bank balances above target by £55m.

Gold rose $5¾ an ounce from Monday's close in the London bullion market yesterday to finish at $302-302½. The metal opened at $302¼-303¼ and traded between a high of $305¼-305¾ and a low of $300½-301. Short covering pushed gold up from its opening level but this tailed off in the afternoon as the dollar attracted renewed support and the metal fell back accordingly.

MONEY RATES

Jan. 8	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.45-5.55	10¾	4⅛-4⅝	5¾-5⅞	6.09375	15⅞-16¼	8.05	13½-14
One month	5.65-5.80	10⅝-10¾	4¾-4⅞	5¾-5⅞	6.21875	15⅝-15¾	10⅝-10⅞	14½-15
Two months	5.65-5.70	10⅝-10⅞	—	—	—	—	—	14¼-15
Three months	5.65-5.80	10⅝-10⅞	4¾-4⅞	5¾-5⅞	6.28125	15⅝-16	10⅝-10⅞	14¾-15
Six months	5.65-5.80	10⅜-10½	—	5⅝-5⅞	—	—	10⅝-10⅞	14½-14¾
Lombard	6.5	—	—	—	—	—	—	—
Intervention	—	10¾	—	5¾	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Jan. 8 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	2-9½	8¼-9	6-9	5½-7½	—	—	—	—	—
2 days notice	—	—	9-9¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	8⅞-9⅛	9⅛	9¼-9⅝	8⅛	—	—	—	—	—
One month	9⁵⁄₁₆-9³⁄₁₆	9¾-10⅛	9⅞	9⅞-10⅛	9½	9⅜	9⅜	9⅜-9⅝	9⅝	10¼
Two months	9⅝-9½	9⅞-10⅛	10	10⅛	9½	9½	9¼	9⅜-9½	9	10⅛
Three months	10-9⅞	9⅞-10⅛	10⅛	10⅛	9½	9⅜	9⅜	9¼-9⅜	9	10
Six months	10¼-10⅛	10⅛-10⅜	10¼	—	—	—	—	9¾	9½-9⅝	10⅜
Nine months	10⅜-10¼	10¼-10⅝	—	—	—	—	—	—	—	—
One year	10⅝-10¼	10⅜-10¾	10½	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	10½-10⅛	—	9⅞	8.1-8.2	7⅛-7⅜	9⅛-9½
Two months	10⅝-10¼	—	9⅞	8.15-8.25	7⅜-8⅛	9⅜-9⅝
Three months	10⅞-10½	—	10⅛	8.25-8.35	7⅞-8⅛	9⅜-9⅝
Six months	10¾-10⅜	—	10¼	8.6-8.7	8⅛-8⅜	9⅜-9⅝
Nine months	11-10¾	—	10¼	9.0-9.1	—	—
One year	11-10¾	—	10⅜	9.5-9.6	8⅜-9⅛	9⅝-9⅞
Two years	—	11	—	—	—	—
Three years	—	11¼	—	—	—	—
Four years	—	11½	—	—	—	—
Five years	—	11½	—	—	—	—

ECGD Fixed Rate Export Finance IV: Average Rate of Interest period December 5 1984 to January 1 1985 (inclusive): 9.913 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 10 per cent from January 1 1985. London and Scottish Clearing Bank Rates for lending 9½-9¾ per cent. London Deposit Rates for sums at seven days' notice 6-6¼ per cent. Treasury Bills: Average tender rates of discount 9.1738 per cent. Certificates of Tax Deposit (Series 6): Deposit £100,000 and over held under one month 8¾ per cent: *one-three months 10 per cent: three-six months 10¼ per cent:* six-nine months 10½ per cent; nine-12 months 10½ per cent. Under £100,000 9½ per cent from January. Deposits held under Series 5 10 per cent. The rate for all deposits withdrawn for cash 7 per cent.

FT LONDON INTERBANK FIXING

(11.00 a.m. January 8)

3 months U.S. dollars

bid 8 5/16	offer 8 7/16

6 months U.S. dollars

bid 8 13/16	offer 8 15/16

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	10½
Broker loan rate	9¾-10¼
Fed funds	8⅛
Fed funds at intervention	8⅛

Treasury Bills

One month	7.50
Two month	7.65
Three month	7.78
Six month	8.02
One year	8.34

Treasury Bonds

Two year	99¹⁴⁄₃₂
Three year	101²¹⁄₃₂
Four year	93¹⁵⁄₃₂
Five year	99⅝
Seven year	100²⁷⁄₃₂
10 year	100¹¹⁄₁₆
30 year	101¹⁵⁄₁₆

FINANCIAL FUTURES

Prices firm

Interest rate contracts were firm on the London International Financial Futures Exchange yesterday. Gilts for March delivery finished at the high point of the day, following a fall of ½ per cent in December UK money supply growth. This was at the bottom of an anticipated range and tended to reduce pressure for an immediate rise in clearing bank base rates.

The March contract opened firmer at 105-25, encouraged by the improvement of sterling against the dollar in New York overnight. After touching a low of 105-23, March gilts closed at the day's peak of 106-24, compared with 105-14 on Monday.

Three-month sterling deposits for March opened at the day's low of 89.45, but this was above the previous close of 89.39. The contract rose to a high point of 89.84. on the money supply figures, and closed at 89.80.

March Eurodollars touched a contract high of 90.81, and closed firmer at 90.78 compared with 90.70 on the recent easing of U.S. interest rates and a firmer tone to the New York bond market. It is also expected that U.S. weekly M1 money supply will be lower this week, after last week's sharp rise.

Treasury bonds were influenced by similar factors. The March contract opened at 71-15, *and after touching 71-19, finished* at 71-12, compared with 71-04 previously.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
March	90.78	90.81	90.72	90.70
June	90.19	90.23	90.13	90.13
Sept	89.68	89.74	89.64	89.60
Dec	89.26	89.35	89.25	89.20
March	88.90	—	—	88.84

Est volume 6,294 (5,452)
Previous day's open int 10,531 (10,016)

THREE-MONTH STERLING £250,000 points of 100%

	Close	High	Low	Prev
March*	89.80	89.84	89.45	89.39
June*	89.68	89.74	89.44	89.34
Sept*	89.62	89.69	89.37	89.28
Dec*	89.54	89.54	89.35	89.20
March*	89.39	—	—	89.05

Est volume 1,991 (1,057)
Previous day's open int 5,436 (5,460)
*£500,000 points of 100%

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev
March	106-24	106-24	105-23	105-14
June	106-05	106-05	105-28	104-28
Sept	109-02	—	—	107-25
Dec	108-24	—	—	107-16
March	108-14	—	—	107-05

Est volume 4,245 (1,718)
Previous day's open int 4,320 (4,086)
Basis quote (clean cash price of 13¾% Treasury 2003 less equivalent price of near futures contract) 10 to 20 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
March	1.1465	1.1530	1.1450	1.1405
June	1.1438	1.1438	1.1433	1.1370
Sept	1.1428	1.1426	1.1422	1.1365

Est volume 1,405 (903)
Previous day's open int 4,788 (4,408)

DEUTSCHE MARKS DM 125,000 $ per DM

	Close	High	Low	Prev
March	0.3185	0.3205	0.3177	0.3165

Est volume 87 (nil)
Previous day's open int 176 (176)

SWISS FRANCS SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
March	0.3813	—	—	0.3803

Est volume nil (nil)
Previous day's open int 113 (113)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
March	0.3957	0.3957	0.3954	0.3926

Est volume 4 (nil)
Previous day's open int 115 (115)

U.S. TREASURY BONDS 8% $100,000 32nds of 100%

	Close	High	Low	Prev
March	71-12	71-19	71-08	71-04
June	70-20	—	—	70-12

Est volume 1,927 (1,848)
Previous day's open int 1,387 (1,148)

FT-SE 100 INDEX £25 per full index point

	Close	High	Low	Prev
March	123.80	124.20	123.05	122.85
June	123.90	—	—	122.95
Sept	124.00	124.25	124.00	—

Est volume 281 (236)
Previous day's open int 909 (787)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	71-09	71-20	71-07	71-14
June	70-15	70-25	70-12	70-19
Sept	69-24	70-01	69-24	69-29
Dec	69-05	69-13	69-05	69-09
March	68-20	68-28	68-20	68-24
June	68-05	68-06	68-05	68-09
Sept	67-25	68-00	67-25	67-28
Dec	67-14	67-20	67-14	67-17
March	—	—	—	67-07
June	66-28	67-01	66-28	66-30

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev
March	91.89	97.92	91.87	91.87
June	91.41	91.44	91.39	91.38
Sept	90.92	90.98	90.92	90.91
Dec	—	89.50	—	89.49
March	90.24	90.26	90.24	90.22
June	89.98	90.01	89.98	89.97
Sept	—	89.75	—	89.73
Dec	90.55	90.59	90.55	90.53

CERT. DEPOSIT (IMM) $1m points of 100%

	Latest	High	Low	Prev
March	91.14	91.17	91.12	91.12
June	90.54	90.58	90.54	90.53
Sept	—	—	—	—
Dec	89.59	89.62	89.56	89.57

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev
March	90.74	90.79	90.73	90.73
June	90.15	90.21	90.14	90.13
Sept	89.62	89.68	89.62	89.62
Dec	89.19	89.24	89.19	89.19
March	88.83	88.88	88.83	88.85
June	88.52	88.55	88.52	88.55
Sept	88.25	88.27	88.25	88.27

STERLING (IMM) $e per £

	Latest	High	Low	Prev
March	1.1465	1.1530	1.1445	1.1485
June	1.1430	1.1500	1.1430	1.1455
Sept	1.1410	1.1465	1.1410	1.1435
Dec	—	—	—	1.1520

GNMA (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	69-07	69-15	69-06	69-12
June	68-16	68-24	68-16	68-20
Sept	—	—	—	68-00
Dec	—	—	—	67-15
March	—	—	—	—
June	—	—	—	66-18
Sept	—	—	—	66-06

Company Notices

Lazard Brothers Fund Managers (Channel Islands) Ltd.
P.O. Box 275, 16 Glategny Esplanade,
St. Peter Port, Guernsey. 0481 21367

	Bid	Offered	Ann. grth.
Lazard Curr. Res. Fnd. £	10.07	10.08	9.1
Lazard Curr. Res. Fnd. US$	10.06	10.07	7.5
Lazard Curr. Res. Fnd. Y	30.10	30.20	4.7
Lazard Curr. Res. Fnd. DM	40.11	40.12	4.4
Lazard Curr. Res. Fnd. SF	30.00	30.01	1.1
Lazard Curr. Res. Fnd. FF	100.85	100.86	9.9
Lazard Curr. Res. Fnd. DKr	—	130.00	—

London clearing banks' balances

as at December 12 1984

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England. They are prepared by the London clearing banks and cover the business of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the monetary sector.

TABLE 1.
AGGREGATE BALANCES

	Total outstanding £m	Total outstanding £m	Change on month £m	Change on month £m
LIABILITIES				
Sterling deposits:				
UK monetary sector	18,481		+ 361	
UK private sector	59,196		− 246	
UK public sector	1,140		− 241	
Overseas residents	9,744		+ 203	
Certificates of deposit	5,839		− 536	
		94,000		− 460
of which: Sight		33,389		+ 379
Time (inc. CD's)		61,012		− 839
Foreign currency deposits:				
UK monetary sector	19,041		+ 523	
Other UK residents	4,783		+ 106	
Overseas residents	46,631		+ 125	
Certificates of deposit	6,371		+ 359	
		76,826		+1,113
Total deposits		171,227		+ 653
Other liabilities*		23,351		+ 989
TOTAL LIABILITIES ...		194,578		+1,641
ASSETS				
Sterling				
Cash and balances with Bank of England		1,554		+ 117
Market loans:				
Discount houses	3,480		+ 548	
Other UK monetary sector	15,767		+ 448	
UK monetary sector CD's	2,568		+ 47	
Local authorities	842		− 27	
Other	1,759		+ 70	
		24,416		+1,085
Bills:				
Treasury bills	99		+ 42	
Other bills	1,699		+ 49	
		1,799		+ 91
Special deposits with Bank of England		—		—
Investments:				
British Government stocks	2,672		− 220	
Other	4,165		+ 8	
		6,838		− 212
Advances:				
UK private sector	63,441		+ 667	
UK public sector	252		− 112	
Overseas residents	3,918		− 772	
		67,611		− 217
Other sterling assets*		10,598		− 133
Foreign currencies				
Market loans:				
UK monetary sector	19,657		− 490	
Certificates of deposit	551		− 114	
Other	32,033		+ 694	
		52,151		+ 89
Bills		259		+ 33
Advances:				
UK private sector	5,904		+ 106	
UK public sector	1,166		+ 156	
Overseas residents	17,919		+ 587	
		24,988		+ 849
Other foreign currency assets*		4,364		− 61
TOTAL ASSETS ...		194,578		+1,641
Acceptances		3,523		− 156
Eligible liabilities		70,784		− 380

* Includes items in suspense and in transit.

TABLE 2. INDIVIDUAL GROUPS OF BANKS' BALANCES

	TOTAL Out-standing £m	TOTAL Change on month £m	BARCLAYS Out-standing £m	BARCLAYS Change on month £m	LLOYDS Out-standing £m	LLOYDS Change on month £m	MIDLAND Out-standing £m	MIDLAND Change on month £m	NATIONAL WESTMINSTER Out-standing £m	NATIONAL WESTMINSTER Change on month £m	WILLIAMS & GLYN'S Out-standing £m	WILLIAMS & GLYN'S Change on month £m
LIABILITIES												
Total deposits	171,227	+ 653	46,785	+776	31,044	−834	32,449	+1,103	56,025	−468	4,925	+ 75
ASSETS												
Cash and balances with Bank of England	1,554	+ 117	490	+ 25	238	− 34	245	+ 1	508	+107	73	+ 18
Market loans:												
UK monetary sector	38,815	+ 505	11,932	+744	4,351	−492	4,292	+ 586	17,337	−327	901	− 5
Other	37,753	+ 669	9,960	+148	8,459	−176	7,399	+ 509	10,759	+138	1,176	+ 51
Bills	2,057	+ 124	679	+ 34	607	+ 24	435	+ 72	304	− 15	33	+ 9
British Government stocks	2,672	− 220	742	+ 12	698	− 7	474	− 205	673	− 20	86	—
Advances	92,600	+ 632	25,389	+ 75	17,780	+121	18,498	+ 175	28,144	+253	2,788	+ 10

TABLE 3.
INDIVIDUAL GROUPS OF BANKS' ELIGIBLE LIABILITIES

	TOTAL Out-standing	TOTAL Change	BARCLAYS Out-standing	BARCLAYS Change	LLOYDS Out-standing	LLOYDS Change	MIDLAND Out-standing	MIDLAND Change	NATIONAL WESTMINSTER Out-standing	NATIONAL WESTMINSTER Change	WILLIAMS & GLYN'S Out-standing	WILLIAMS & GLYN'S Change
ELIGIBLE LIABILITIES	70,784	− 380	21,269	+ 47	14,038	− 8	12,803	− 107	20,461	−368	2,213	+ 56

WORLD STOCK MARKETS

OVER-THE-COUNTER

Continued from Page 16

Stock		Sales (Hnds)	High	Low	Last	Chng
LamaT	.80	84	12¾	12¼	12½	
Lancast	.68	312	15½	15	15	
LndBF	.60	1673	13⅝	13½	13⅝	+⅛
LomkS		120	6⅞	6¾	6⅞	+⅛
LaneC s	.80a	112	39¾	39¼	39¾	—
Langly	.25e	39	6½	6¼	6¼	+⅛
Lawsn s	.28	101	25	24¾	25	+¼
LeeDta		613	6⅝	6½	6½	-⅛
Lerner		51	12⅞	12⅞	12⅞	+¼
LewisP	.28b	113	7⅝	7½	7½	-⅛
Lexicon	290	5-16	3	3-16	2¼+1	-16
LexiDta		49	3½	3	3½	
Liebrt	.07	120	22	21¾	21½	
LilnvA	.24	24	42¼	41¾	41¾	-½
LileCom		12	6¼	6	6⅛	+⅛
LilyTul	.20	566	14⅛	13⅝	14	+¼
LinBrd		348	23⅝	22⅞	23⅝	+½
LincTel	2.20	41	29¾	29½	29¾	+¼
Lindbrg	.16	332	5	4⅞	5	
LizCla s		1522	24¾	23½	24	-¼
LocalF		99	15½	15	15	
LongF	1.28	63	22½	21⅝	22¼	+1
Lotus		894	23¾	22¾	23	-¼
Lynden		6	19½	19	19	-¼
Lypho s		164	14½	14⅛	14⅛	-⅛
M—M						
MCI		9049	7⅝	7½	7⅝	
MIW		15	5¼	5	5	
MTS s	.24	61	16	15¾	16	+½
MTV		418	18¼	18	18⅛	+⅛
Macgrg		25	11⅛	11⅛	11⅛	
MachTc		99	6¼	6	6⅛	-⅛
MackTr		770	14⅛	14	14	-⅛
MadGE	2.20	70	22¾	22⅝	22¾	+⅜
MagCtl		158	11⅛	11¼	11½	+¼
MayRt		63	8⅛	8	8	
Mairite	.01e	131	11¾	11½	11½	
MgtSci		287	11½	11⅛	11⅜	+⅛
Manitw	.60	38	19	18½	18¾	
MfrsN	2	15	45½	45	45	
Marcus	.28e	5	14¼	14	14¼	+¼
Margux		285	7¼	6⅞	6⅞	+⅛
Margst	.05e	69	7¼	7	7¼	
MrldN	1.60	118	43¾	43½	43⅝	+⅛
Mascoin		58	27¾	27¼	27¼	
Masstor		1062	4⅜	4¼	4¼	
MathBx		135	11	10½	10½	
Maxcre		3523	21½	20¾	21	-½
Maxwel		5	9½	9½	9½	
MayPt		280	4⅛	4⅛	4⅛	-⅛
MaynOl		68	3⅝	3½	3½	-⅛
McCrm	.88	287	32¼	31¾	32	
McFad		6	10	10	10	
McFarl		319	12⅛	11⅝	11⅝	-½
Medex	.05	117	7	6¾	6¾	
MedCre		156	5¾	5½	5½	
MedcdSt		57	14½	14⅛	14¼	-¼
Medfix		5	15⅝	15⅝	15⅝	-⅛
Megdt s		25	6⅛	5⅞	5⅞	-⅛
Mentor		1829	12¾	11	12	+¼
MentrG		653	19⅛	18⅝	19½	+⅞
MercB s	1.92	184	33¾	32¾	33	
MercBk	1.58	104	43½	43¼	43¼	
MrchCo		45	13	12½	12⅞	+¼
MerSv	.88	47	23½	23	23¼	
MrdBc	2.40	125	39¾	39¼	39¼	-¼
MrdB pf	2.50	149	29¼	29	29	-½
MerriB	1	47	21	20½	20½	
MaryG s		248	13½	13	13	+¼
MetrAir		377	11½	11	11½	+½
MetSL	.60	33	10	9¾	9¾	-¼
Micom		2006	27⅞	27¼	27½	
MicrD		101	3⅝	3½	3⅝	
MicrMk		2	10⅝	10⅝	10⅝	-⅛
Micray	.06	230	5¼	5	5⅛	-⅛
MicrTc		1680	24¼	22½	22⅝	-1⅝
Microp		630	5	4⅞	5	+⅛
MicrSm		242	5½	5	5¼	-⅛
MdPcA		84	5¾	5½	5½	-⅛
MdStFd	.40	8	18	18	18	-⅛
MidBk s	1.12	61	29⅝	29⅜	29½	-⅛
MdwAir		32	4¼	4	4	-⅛
MillTch		1	1¼	1¼	1¼	
MilHr	.44	1838	34¾	34¼	34¼	-⅜
Millcm		77	4	3⅞	4	
Millipr	.44	56	33¾	33½	33¾	
Minnstr		6106	3¼	2¾	3¼	-⅛
Minstr s		643	19⅛	19¼	19¼	-¼
MGask	.01e	47	14½	14½	14½	
MobIC A		41	8⅛	7¾	7¾	-⅜
MobIC B		893	8¼	8	8⅛	-⅛
Modine	1.40	23	36¼	35⅞	36¼	-⅛
Molecr		104	8½	8	8¼	+¼
Molex	.03	116	29⅜	29	29⅜	-⅛
MonCa	1.40	74	43½	43¼	43½	-¼
Moncor		279	3⅝	3⅜	3½	
MonCl	.35e	3	18	18	18	+¼
MonAnt		18	8⅝	8¼	8⅝	
Monolit		1416	13⅝	13	13⅛	-⅝
MonuC	1.30	88	28⅞	28½	28⅞	+⅜
MorFlo	.01	72	15¾	15⅜	15⅝	
Morrug	.12e	84	10¾	10½	10⅝	-⅛
Morrsn	.48	72	16⅝	16⅝	16⅝	
Moselev		198	4¾	4½	4½	-⅛
MotClb	.20	130	13¼	13	13¼	+¼
Multmd	.60	79	37	36½	37	+½
Mylan s	.10	416	25	24¾	24¾	+¼
N—N						
NCA Cp		70	7⅝	7¼	7⅝	+½
NMS		27	2⅞	2⅞	2⅞	
NaocoS		14	13	12¾	13	
NBnTex	.84	260	20¾	20⅝	20¾	-⅛
NtCity s	1.90	453	38¼	37⅞	38	+⅛
NtCptr	.24	145	21	20⅝	20⅝	
NData	.44	185	8¾	8½	8¾	+¼
NtHltC	.20e	19	21	21	21	+⅛
NtLumb		35	5¼	5	5	
NMicrn		562	4⅝	4½	4½	
NTech	1	41	3⅜	3¼	3¼	-⅛
NacrBy		52	4⅝	4½	4⅝	
Naugle		263	5¾	5⅝	5⅝	
NelsnT	.20	12	8	8	8	
Nelson		72	8½	8	8½	
NwkSec		558	7⅞	7⅝	7⅞	+⅛
NetwkS		2252	22⅝	21⅞	21⅞	-⅛
NtwkEl		3	3¼	3¼	3¼	-¼
Neutrg s	.20	13	34	33	33½	-½
NBrunS		528	8	7⅞	8	
NE Bus	.48	4	32	32	32	+¼
NHmpS	.80	149	23⅛	23¼	23⅛	+⅛
NJNat s	1.12	459	24	23¾	24	+¼
NYAir		343	5⅜	5	5⅛	+⅛
NY A wt		1	3-16	3-16	3-16	-⅛
NwldBk		522	11⅛	10⅞	11⅛	+⅜
Newpt s	.06	83	23	22½	22½	
NwpPh		209	6⅛	5⅞	6	
NiCal g	t	68	3⅛	2⅞	3⅛	
NickOG		23	1-16	5-16	1-16	
Nike B	.40a	3717	9	8⅞	9	+¼
Nordsn	.66	6	18	17¾	17¾	-⅛
Nordstr	.40	349	29¼	28¼	28½	-1⅛
Norsk B	.12e	151	39¾	38¾	39⅝	+1⅛
Norstan		77	6¼	6	6¼	+⅛
NAtin s		44	7½	7¼	7¼	-⅛
NestSv		176	7⅝	7⅝	7¾	
NwNG	1.44	365	17	16½	16⅝	+⅛
NwtFn	1.15	44	39¼	39	39	-⅛
NwNL s	.80	1078	28⅝	28¼	28⅝	+⅜
NwstPS	2.10	60	21¼	21	21¼	+⅛
Newmtx		50	4⅜	4⅛	4⅜	+⅛
Noxell	.92	350	44¼	44	44	
NucPh		173	5⅝	5⅛	5⅝	+⅛
Numrax		14	8	7⅞	8	+½
NutrF		141	9	8½	8⅞	+⅛
NuMed		126	9¼	9⅛	9¼	
O—O						
OCG Tc		130	2⅞	2⅝	2⅝	
OakHit		5	3⅝	3⅝	3⅝	
ObjRec		36	2¾	2½	2½	-⅛
Oceaner		103	3⅝	3½	3½	
Ocila s		183	15¼	14¾	15	+¼
OffsLog		8	2	1⅞	2	+⅛
OgilM s	.92	220	36	35¾	35⅞	
OhioCa	2.68	157	46¼	45¾	46	
OldKnt s		280	23¼	22½	23¼	+⅛
OldRep	.98	592	32⅛	31	31⅝	+⅝
OldS pfC	2.60	10	20⅞	20	20⅞	+⅛
OneBcp	.13a	158	16⅛	15⅞	16⅛	
OnLine		87	4½	4¼	4½	+⅛
Onyx		270	1⅝	1½	1⅝	
OpticC		220	14¾	14½	14¾	+⅛
OpticR		1207	33	31½	32¼	+1⅛
Orbanc		4	14⅝	14⅝	14⅝	
Orbit		65	5¾	5⅝	5¾	
OrfaCp		135	6	5¼	5½	
Oshmn	.20	1	16¼	16¼	16¼	
OttrTP	2.68	92	27⅞	27⅝	27¾	+⅛
OvrExp		112	11½	11	11	-⅛
OwenM	.36	126	13¼	13	13	-⅛
Oxoco		137	3½	3¼	3⅜	
P—Q						
PLM	.12	3	5¼	5¼	5¼	
PNC	2.32	752	47⅞	46½	47	+½
PabstB		1270	10⅛	10	10	-⅛
Paccar	.20a	39	45½	45	45½	+¼
PacFst		71	8½	8	8⅛	-⅛
PacTel	.80	25	13½	13½	13½	
PacoPh		105	13½	13¼	13½	+¼
PancMx	.13	42	7¼	7⅛	7¼	-⅛
Pansph		81	14⅜	14	14⅛	
Pansan		17	10¼	10	10	+½
ParkOh	.60	62	14	13¾	14	
PatntM		657	5⅛	4⅞	5⅛	+⅛
Patrid		47	7½	7½	7½	-⅛
PaulHr		12	12⅝	12¼	12¼	
PaulPt		11	6⅞	6½	6⅞	
PayN	.60	50	22⅝	22½	22½	
Paychx		2547	9¼	9	9⅛	-⅛
PeakHC		643	12¼	11½	11½	-¾
PearlH		210	22½	22	22⅛	+⅛
PegGld	.05t	408	6⅛	5½	5⅝	-½
PenaEn	2	9	26	26	26	
Pentar	.76	511	28¼	27⅝	27⅞	-⅜
PeopEx		952	10¼	9¾	10⅛	+¼
PeopRt		147	9-16	½	16+1	-16
Percept		17	6⅞	6¾	6¾	-¼
PersCpt		17	8½	8½	8½	+⅛
Petrite	1.12	538	26¼	25¾	26	
Phrmct		167	6	5⅞	5⅞	-⅛
PSFS		663	8½	8⅛	8½	+⅛
PhilGl	.48r	916	16	15¾	15¾	-⅛
PhoxAm		13	3⅛	3½	3⅛	
PicSav		2012	18⅞	18½	18⅝	-⅛
PicCafe	.60	231	18⅛	17¾	18	-¼
PionHi	.92	810	32¾	32½	32½	
PionSt s	.12	166	7½	7	7½	-½
PoFolk		11	10⅛	10	10	
PlcyMg		1469	26	25¼	25½	
Porex		445	22⅝	21	21	-1½
PosSt		37	7¾	7¾	7¾	
Powell		54	1⅞	1⅞	1⅞	
Powrtc		298	16¼	15¾	16	-¼
PwConv		51	7⅛	6¾	7	
PrecCst	.16	283	33	32½	33	-¼
ProdLg		27	6¾	6⅝	6⅝	+⅛
Preway		78	4	3⅞	3⅞	-⅛
Priam		329	5	4¾	5	+⅛
PrcCm		168	15½	15⅛	15⅛	-⅛
PriceCo s		47	42½	42	42	-½
Prtronx		81	16½	16	16	-⅛
ProdOp	.15	52	4½	4⅛	4⅛	-⅛
ProgCp	.16	7	34¾	34¾	34¾	
PropTr	1.20	106	14¼	13½	13½	-½
Protcol		12	2	1⅞	2	+⅛
Provin		37	15	14⅞	14⅞	-⅛
PullTm		1120	4½	4	4⅛	-⅛
PurtBn	.40	27	15	15	15	+½
QMS s		166	12⅞	12¾	12⅞	
Quadrx		188	4½	4¼	4¼	-⅛
QuakrC	.68	1	25	25	25	+½
QualSy		179	3½	2¾	3	+¼
Quarm		253	20¼	19⅝	20	
QuestM		262	3¾	3½	3¾	+¼
Quixote		68	10½	10	10⅛	-⅛
Quotrn		2728	9¼	9	9⅜	+⅜
R—R						
RAX		197	10	9¾	9⅝	+⅛
RPM s		191	13½	13¼	13½	+¼
RadSys		92	13½	13⅛	13⅛	-⅛
RadmT		101	10	9¾	10	+¼
Radice		105	8⅝	8⅝	8⅝	+⅛
Radion		130	10	9¾	10	-¼
Ragen		834	6⅞	6¾	6½	-¼
Rainr	1.76	69	46⅛	46⅛	46¼	
Ramtek		185	4⅝	4¼	4⅝	+¼
RayEn	.24	87	13¼	13	13	-¼
Reading		131	19⅞	19⅝	19¾	-¼
Recom		141	5⅞	5⅝	5⅝	
RedknL	.64	40	28	28	28	+¼
Reeves		142	5½	5¼	5¼	-¼
RgcyEl	.20	500	6½	6⅜	6⅜	
Regis s	.08	6	13	12½	12½	
Rehab		124	22⅞	22½	22½	+⅛
Reliab		208	9¼	8⅞	8⅞	-⅛
Renal		40	4	3¾	3¾	-½
RpAuto	.44	214	8¼	8	8⅛	
RpHlm		151	11⅝	11¼	11⅝	-⅛
Reuterl	.15e	460	11⅛	10¾	10⅞	-⅛
ReutrH	.09e	78	20⅝	20¾	20¼	+¼
Rexon		185	2⅝	2½	2⅝	
RevRev	1.24	167	33½	33	33½	+¼
Rhodes s	.20	95	12¼	12½	12½	-⅛
Ribim		97	8½	8⅛	8¼	
RichEl		21	20½	20½	20½	-¼
Ritzys		78	2	1⅞	2	+⅛
Rival	.80	344	12¼	12⅛	12¼	+⅛
RoadS s	1	734	30	29¼	29⅝	+⅜
Robesn	1	105	6½	6¼	6½	+¼
RobNug	.06	548	16	14½	16	+1½
RobVsn		92	9⅝	9¼	9⅝	+¼
Rockor		409	14½	14⅛	14¼	+⅛
RosesSt	.28a	17	18½	16	18	+2
RoseSB	.28a	230	20	19¾	19⅞	
Rouse	.92	40	34	33⅞	33⅞	
Roylnt		75	18¼	18	18	
RoyPlm		70	8⅝	8¼	8½	
RoylRs		113	6⅝	6½	6⅝	-⅛
RoyAir		12	8	8	8	
RustPel		55	13	12⅞	13	
RyanFa		875	19¼	19	19⅛	+⅛
S—S						
SAY Ind		661	11½	10¾	10½	-½
SCI Sy		1981	12⅛	11⅝	12⅛	+⅜
SEI		8	13½	13½	13½	+¼
SFE	.10r	210	8¼	8	8¼	+¼
SP Drug	t	31	14½	14	14½	+¼
SRI	.88	647	17⅝	17½	17⅝	
Safecrd		969	13½	12⅞	13½	+½
Safeco	1.50	1521	32	30⅞	31¼	-¼
SafHlth		11	13⅛	13¼	13⅛	-¼
StJude		104	8½	8¼	8¼	-⅛
StPaul	3	3422	49¼	47⅞	47½	-2¼
SalCpt		304	3½	3⅛	3⅛	-⅛
SanBar	.05r	2	7½	7½	7½	+½
SandChf		22	8¼	8	8	
Satelco		67	¾	¾	¾	
SatelSy	.12	33	7	6¾	7	+½
SavnF	.60a	3	35½	34¾	34¾	-¾
SvBkPS	.72	29	26½	26⅛	26½	+⅜
ScanOp		212	7½	7⅛	7⅛	-⅛
ScanTr		55	12⅝	12½	12⅝	-⅛
Scherer	.32	37	9⅞	9¾	9⅞	-⅛
SchmA	.35	10	16	16	16	
Scimed		8	7¼	7¼	7¼	-¼
SciCmp	.28	10	5⅛	5⅛	5⅛	
SciInc s		20	7¼	7¼	7¼	-⅛
SciMic		10	4¼	4¼	4¼	
SciSft		5	11¼	11¼	11¼	-¼
SciSySv		35	3⅞	3¾	3¾	-⅛
Scitex		26	16¼	15¾	15¾	
SeaGal		123	7⅛	6¾	7	+⅛
Seagate		5430	5⅞	5¼	5½	
SecTag		215	2⅜	2 5-16	2⅜	+⅛
SEEQ		32	5¼	5⅛	5¼	
Seibel	.80	20	19¼	19¼	19¼	-¼
Semicn		5	8	8	8	
Sensor	.05	527	7⅞	7⅝	7⅞	+⅛
SvcMer	.08	1296	11½	11⅛	11⅜	+⅛
Svmast	1.12	1174	29½	28½	29½	+1
Servco	1	2	16	16	16	
SvcFrct		16	5⅝	5⅝	5⅝	-⅛
SevOak	.16	81	13⅝	13½	13½	-¼
ShrMed	.48	673	27½	27¼	27¼	+¼
Shwmt s	1.68	76	30	29¾	29¾	-¼
Shelby	.16	28	17	16¾	17	
Shoich		750	17	16½	16½	-⅜
Shoney	.16	135	32	31½	31⅝	+⅛
ShonSo s		24	13⅝	13	13⅝	
Shpsmt	.10e	6	5½	4⅞	5½	+½
Silicon		310	7⅞	7	7⅞	
SiliconS		374	11½	10⅞	10⅞	-⅛
SilcVal		119	15¾	14½	15	
Siliconx		107	14	13½	13½	
Siltec		19	8½	8½	8½	
Simpin	.80	127	14⅛	13⅞	14⅛	+⅛
Sippin		6	15	14¾	15	
SixCp		3	4⅛	4⅛	4⅛	
Sizzler		36	15¼	15	15¼	
Skipper	.06	41	10¾	10½	10½	
SloanTc		13	4⅜	4	4⅜	
SmithL		88	3⅝	3½	3½	
SmthF		5	7½	7¼	7¼	-¼
Society	1.70	360	36½	36	36	-¼
SocitySv		73	12⅞	12¾	12⅞	-⅛
Softech		21	7¼	7	7¼	+¼
SoftwA		239	15⅝	15⅜	15⅝	+¼
SonocP	.20a	10	39½	39	39	-¼
SonrFd		349	15⅞	15	15⅝	-⅜
SoBost	.40	35	23½	23⅜	23½	+⅛
SoHosp		87	4⅛	4	4⅛	
SthdFn	.52	237	31	30⅝	30¾	-⅛
Soutrst	.88	143	23¼	23	23	-⅛
Sovrgn	.10	381	8⅛	8	8	
Sovran	1.68	107	38¾	38⅝	38⅝	
SpcMic		15	2	2	2	-⅛
SpanA	.05e	60	3¼	3¼	3¼	
Specd s		166	11½	11	11¼	
Spectran		50	11⅞	11	11	-½
SpecCtl	.05	48	5¾	5½	5⅝	
Spire		84	14⅝	14½	14¾	
StafBld	.20	416	5⅝	5⅛	5½	+⅛
Standy s	1	471	22¼	22	22¼	
StdMic		2248	18¼	17½	17⅝	-⅛
StdReg	1.16	7	46¼	46¼	46¼	+½
Standun		55	5½	4⅞	5¼	+½
Stanho s	1.20	63	21	20½	21	+¼
StarSr s		490	13	11½	12⅞	-⅛
StaStB	1.08	265	47¼	46⅜	46⅝	+⅛
StaraG	.15b	91	5⅛	4⅞	5	-⅛
Steiger		44	6½	6¼	6½	-⅛
SternL		19	4⅝	4½	4⅝	
StewStv		8	11⅞	11⅞	11⅞	-⅛
Stwinf	.72	118	23¼	23	23¼	+¼
Stifel		2	5¾	5⅝	5¾	
StockSy		11	8¼	8¼	8¼	
Stratus		319	9½	9¼	9½	
StrwC s	.50b	41	51¼	51½	51¼	
Stryker		3	24¼	24¼	24¼	
StuartH	.05	27	3⅝	3½	3⅝	
Subaru	1.68	30	117	115½	117	+1½
SubrB	1.84	30	43⅝	43⅝	43⅝	+⅛
Summa		418	3½	3¼	3¼	
SumtHl	.09e	958	7⅝	7½	7⅝	-¼
SunCst	7-1	1	5-16	1	16-1	-16
SunMed		424	7⅝	6¾	7¼	+¼
SunSL	t	125	9⅝	9¼	9¼	-¼
SupRte	.16	891	16¼	15¾	16¼	
SupSky		6	8½	8½	8½	-⅛
Suprtex		37	4¼	4⅛	4¼	+⅛
SuprEq		37	10⅞	10½	10½	-⅛
Sykes		144	9-16	1⅛	1 9-16	+⅛
SymbT		218	9¼	9½	9⅝	-½
Syncor		174	3½	3¼	3½	
Symech		78	9¼	8⅞	9½	
Syntrex		607	4½	4	4½	+¼
Syscon	.24	6	13¼	13¼	13¼	-½
SyAsoc		57	16⅛	15⅞	16	
Systin		53	6⅝	6¼	6¼	-⅛
Sysintg		29	7¼	6¾	7¼	+1
SystGn		5	7⅛	6⅞	7⅛	-⅛
Sysmt	.04	4	16¼	15⅞	16¼	+⅜
SCT Cp		2124	11	10½	10⅝	-½
T—T						
TCA Cb	.12	126	14	13¾	14	
TacViv		25	8¼	8¼	8¼	
Tandem		2379	18⅝	17⅝	17⅝	-⅞
Tandon		24169	7⅛	7¼	7⅛	+⅞
Telco		424	19	17½	17⅝	-1¼
TlcmA	t	325	22⅞	22½	22½	-¼
TelPlus		554	8⅝	8¼	8⅜	-⅛
Telcrft		87	5⅞	5⅞	5⅞	+¼
Telecrd	.38	356	19	17	18	-1
Telepict		217	16⅛	15⅞	16⅛	
Telvid		11091	3⅛	2⅞	3	-⅛
Telabs		2906	15	14½	14½	-½
Telxon		162	16	15¾	15¾	
Temco		3	4	4	4	+⅛
TndrLv		7	4¾	4	4¼	+⅛
TermDt		83	10	9½	9½	-¼
Tesdata		12	2¼	2⅛	2⅛	+⅛
Tecon		4	1⅛	1⅛	1⅛	+⅛
Textne	.25e	30	12½	12¼	12¼	
TherPr		143	14⅛	13⅞	14	+⅛
Thrmdc		188	12	11½	11¾	+¼
Thetfd		111	7½	7½	7½	-⅛
ThdN s	1.08	45	33¾	33	33⅛	+⅛
Thorin		180	10¾	10¼	10¾	+⅛
Thortec		151	8⅝	8⅝	8½	+⅛
ThouT s		787	16⅛	15⅞	15½	-½
3 Com		235	7⅛	7	7	-⅛
TimeE s		282	11⅛	10¾	11¼	
TmeFib		31	10¼	10⅛	10⅛	-⅛
Tiprary		1337	1⅛	1	3-16 1⅛-1	-16
Tofu s		274	14	13½	13⅞	+⅛
TotlSy s		65	13½	13¼	13½	
TrakAu		125	11⅞	11	11½	+½
TriadSy		1861	10	9½	9¼	-⅛
TriCom		7	2⅛	2⅛	2⅛	-⅛
TrusJo	.36	8	28½	28	28½	+¼
TBkGa s	1	861	32⅞	32¼	32⅞	+¼
TuckDr		12	5	5	5	
TwnCty		77	1⅞	1⅞	1⅞	
TysonF	.08	93	32¼	31¾	31¾	-¼
U—U						
USLICO	1.20	38	28⅛	27¾	27¾	-¼
UTL		1	17½	17½	17½	
Ultrsy	.08e	848	8⅞	8½	8¾	+¼
Ungrmn		674	15¼	14¾	15	
Unifi		160	9	8⅞	9	+¼
vjUnioil		153	1⅛	1	7-16 1⅛-1	-16
UnPlntr		438	18⅝	18¼	18¼	+¼
UnTrBc	2.40	36	50	49½	49½	-½
UACom	.12	193	27	26½	26½	-½
UBAlsk	.10a	19	10⅞	10	10	-⅛
UBCol	1.08	374	22⅞	22¾	22⅞	+⅛
UnEdS		20	2¼	2¼	2¼	
UFnGrp		230	8⅞	8¾	8⅝	-¼
UFstFd		75	13½	13⅛	13⅛	-½
UGrdn	t	67	15⅞	15⅝	15⅝	-⅛
UPresd		11	10⅛	10⅛	10⅛	
US Bcp	1	1203	24¾	24⅜	24½	+⅛
US Cap		23	2½	2⅜	2½	+⅛
US Dsgn		58	5¾	5⅝	5⅝	
US HIt s		2277	30	29⅛	29⅛	-⅛
US Sh n	.05e	27	3⅝	3¼	3⅜	
US Sur		340	15⅝	15⅛	15½	-⅛
USTrk	1.20	122	11½	11¼	11¼	
US Tr	1.80	5	45¼	45¼	45¼	+¼
UStatn s	.20	4019	23½	19½	20½	-3½
UnTelev		19	18⅛	18⅛	18⅛	+⅛
UnvBe	1.44	204	35¼	34⅝	35⅛	+½
UnvFm		38	14¼	14¼	14¼	-¼
UnvHlt		198	10¼	10	10	-¼
UnvHld		30	4	3⅞	4	-¼
UFSBk		35	8⅞	8⅞	8⅞	
UrgeCr		188	5⅛	5⅛	5⅛	
Uscale	.07e	42	3⅝	3⅝	3⅝	
V—V						
VLI		78	6	5¾	6	+¼
VLSI		207	8	7⅝	7⅞	+⅛
VMX		540	9⅛	9	9⅛	+⅛
VSE	.15e	3	8	8	8	+¼
ValidLg		342	11½	11⅛	11⅛	-⅛
ValFSL		22	8⅞	8⅞	8⅞	-⅛
ValNtl	1.20	64	29¼	29⅛	29¼	+¼
ValLn	.40e	17	25	24¾	24¾	-¼
Vanzeti		122	11	10½	10½	-½
VectrG		135	3-16	⅛	⅛	
Ventrex		689	4	3¾	3⅞	
Vetx		24	5-16	5-16	16+1	-16
ViconF		68	3⅛	3⅛	3⅛	-⅛
Vicorp	.12e	5	14⅝	14⅝	14⅝	
VictraS		227	3⅛	2⅞	3	
VideoCo		23	19⅝	19⅝	19⅝	
Vie deFr	.22e	4	11⅞	11⅝	11⅝	-⅛
Viking		8	11	11	11	+¼
Virtek		57	18	17½	17½	
VisTech		99	3	2⅞	3	+⅛
Vodavi		31	7	6¾	6⅞	-⅛
Voltinl		140	16¾	16¼	16¼	-¾
Volvo		1398	25½	25	25¼	+¼
W—W						
WD 40	.88	15	21	20¾	21	+⅛
WalbrC	.48	89	21	20¾	20¾	-¼
WkrTel		580	10	9½	10	+½
WshE	1.68	308	19½	19¼	19¼	
WFSL s	.70t	120	27½	27	27¼	+¼
WMSB		139	11⅝	11¼	11¼	
Wavetk		115	7½	7¼	7¼	-⅛
Webb s	.36	75	12½	12¼	12½	
WestFn		80	9½	9¼	9¼	
WnCasS	2.84	12	46	45½	45½	
WstFSL		109	6⅛	5⅞	6¼	+¼
WMicr		319	5½	5¼	5½	
WTIA s		60	13⅛	12⅝	13⅛	+⅛
WmorC	.40	478	18¾	18½	18½	
WstwdC		150	14	13¾	14	+⅛
Wettra	.88	214	25¼	25	25¼	-⅛
Wicat		962	3⅞	3⅞	3⅞	+⅛
Widcom		68	8	7¾	7⅞	
Willmt	1.50	3402	35¾	34½	35¼	+1
WIIAL		493	8⅛	7⅞	7⅞	-⅛
WmsSn		125	10½	10	10¼	+¼
WilsnF		381	9½	9¼	9⅜	+⅛
WilsnH	.20	279	11⅝	11⅜	11⅝	+⅛
Windmr	.07	116	5⅝	5⅛	5¼	+⅛
WiscEn		153	2⅝	2⅝	2⅝	+⅛
WiserO	.69	163	19	18¾	19	
Worthg	.56	477	23¾	23⅛	23¾	+⅛
Wtner	.15e	6	7½	7¼	7½	+¼
Wyman	.80	443	25	24½	24½	-¼
X—Y—Z						
Xebec		1123	4	3⅝	4	
Xicor		538	10⅝	10	10⅝	-⅛
Xidex		480	12⅜	12⅛	12⅜	-⅛
YlowFt	1	1581	33½	32	33¼	+1
ZenLbB		104	19½	18¾	19¼	-¼
Zentec		545	3¼	2⅞	3	-¼
Ziegler	.48a	11	11½	11½	11½	
ZionUt	1.24	103	31½	31¼	31½	+¼
Zitel		53	5	4¾	5	+¼
Zondvn	.24	23	9	8½	9	
Zymos		163	1⅛	1⅛	1⅛	-⅛
Zytrex		171	1¼	1⅛	1¼	

Indices

NEW YORK-DOW JONES

	Jan 8	Jan 7	Jan 4	Jan 3	Jan 2	Dec 31	1984-85 High	1984-85 Low	Since Compilation High	Since Compilation Low
Industrials	1,191.78	1,190.59	1,184.96	1,189.82	1,198.87	1,211.57	1286.64 (6/1)	1088.57 (24/7)	1287.70 (19/11/83)	41.22 (2/7/32)
Transport	558.89	557.02	553.03	555.58	553.70	558.13	612.63 (6/1)	444.83 (25/7)	612.63 (6/1/84)	12.32 (8/7/32)
Utilities	146.85	147.21	148.54	147.36	147.77	149.52	149.83 (18/12)	122.25 (15/6)	163.72 (20/4/69)	10.5 (28/4/42)
Trading vol		86m	77m	88m	67m	80m	—	—	—	—

	Jan 4	Dec 21	Dec 14	Year Ago (Approx)
Ind Div Yield %	5.08	4.88	4.89	4.23

STANDARD AND POORS

	Jan 8	Jan 7	Jan 4	Jan 3	Jan 2	Dec 31	1984-85 High	1984-85 Low	Since Compilation High	Since Compilation Low
Industrials	182.62	182.83	182.24	183.14	184.10	186.36	191.68 (6/11)	167.74 (24/7)	194.84 (10/10/83)	3.62 (30/6/32)
Composite	163.99	164.24	163.68	164.57	165.37	167.24	170.41 (6/11)	147.82 (24/7)	172.15 (10/10/83)	4.40 (1/6/32)

	Jan 2	Dec 26	Dec 19	Year Ago (Approx)
Ind div yield %	4.14	4.11	4.09	3.79
Ind. P/E Ratio	10.32	10.42	10.43	13.64
Long Gov Bond Yield	11.65	11.38	11.25	11.74

N.Y.S.E. ALL COMMON

Jan 8	Jan 7	Jan 4	Jan 3	1984-85 High	1984-85 Low
94.8	94.88	94.58	95.05	98.12 (6/11)	85.13 (24/7)

RISES AND FALLS

	Jan 7	Jan 4	Jan 3
Issues traded	1,999	1,996	1,987
Rises	968	847	748
Falls	567	668	795
Unchanged	464	481	443

New York Active Stocks

	Stocks Traded	3.00p.m. Price	Change on Day		Stocks Traded	3.00p.m. Price	Change on Day
Gian Sham	3,488,100	18	-2	Am Med Int	1,438,400	19	— ¼
Gry Pets	1,665,200	25¾	+1⅞	Holiday Inn	1,282,200	46⅝	+2⅜
Golden Nug	1,580,700	9⅝	+ ⅛	Ill Power	1,018,200	22⅞	— ⅛
Textron	1,538,800	34	+1	Sperry Cp	988,400	40⅝	+ ½
ATT	1,465,700	19⅞	unch	Unidynamic	981,400	22⅛	+5⅛

Advances 786 Declines 646

TORONTO

	Jan 8	Jan 7	Jan 4	Jan 3	1984-85 High	1984-85 Low
Metals & Minls	1,922.5	1,906.5	1,896.8	1,899.5	2524.4 (12/1)	1641.2 (25/7)
Composite	2,348.5	2,355.3	2,353.7	2,377.8	2585.7 (6/1)	2079.7 (24/7)
MONTREAL Portfolio	117.15	117.36	117.00	118.31	126.83 (10/1)	100.36 (24/7)

* Indicates pre-close figure

	Jan. 8	Jan. 7	Jan. 4	Jan. 3	1984-85 High	1984-85 Low
AUSTRALIA						
All ord. (1/1/80)	718.3	715.5	721.4	726.5	787.9 (9/1/84)	546.3 (18/6)
Metals & Minls. (1/1/80)	396.8	393.6	400.5	409.5	587.4 (5/1/84)	385.6 (7/1/85)
AUSTRIA						
Credit Aktien (2/1/62)	58.91	59.09	59.09	58.94	59.37 (28/12)	55.29 (15/6)
BELGIUM						
Brussels SE (1/1/80)	2158.38	2158.01	2160.53	2168.79	—	—
DENMARK						
Copenhagen SE (3/1/83)	158.44	158.98	160.36	159.55	225.21 (20/1/84)	158.44 (8/1/85)
FRANCE						
CAC General (31/12/82)	186.01	182.9	181.40	180.9	186.1 (8/1/85)	155.6 (5/1/84)
Ind Tendance (28/12/84)	104.2	101.3	100.60	100.1	105.2 (8/1/85)	100.0 (28/12/84)
GERMANY						
FAZ Aktien (31/12/58)	391.66	386.65	382.56	382.39	391.66 (8/1/85)	317.17 (25/7)
Commerzbank (1/12/53)	1137.8	1123.5	1112.70	1111.8	1137.8 (8/1/85)	917.7 (25/7)
HONG KONG						
Hang Seng Bank (31/7/64)	1283.01	1281.87	1262.60	1256.98	1283.01 (8/1/85)	746.02 (13/7)
ITALY						
Banca Comm Ital. (1972)	(u)	229.87	229.91	229.16	250.51 (31/12)	192.85 (2/1/84)
JAPAN**						
Nikkei-Dow (16/5/49)	11679.8	11575.5	11558.06	(c)	11679.8 (8/1/85)	9703.35 (25/7)
Tokyo SE New (4/1/68)	922.54	917.04	918.95	(c)	922.54 (8/1/85)	750.4 (4/1/84)
NETHERLANDS						
ANP-CBS General (1970)	186.0	187.5	187.1	185.6	188.0 (8/1/85)	146.8 (25/7)
ANP-CBS Indust (1970)	149.8	149.0	149.0	147.8	149.8 (8/1/85)	116.7 (18/6)
NORWAY						
Oslo SE (4/1/83)	307.25	301.18	293.19	289.48	307.25 (8/1/85)	221.67 (4/1/84)
SINGAPORE						
Straits Times (1966)	782.66	798.78	795.72	795.18	1071.91 (8/2)	782.66 (8/1/85)
SOUTH AFRICA						
Gold (1958)	(u)	(u)	917.1	908.3	1099.0 (19/11)	758.1 (24/1/84)
Industrial (1958)	(u)	(u)	928.8	931.9	1105.3 (26/3)	853.5 (19/9)
SPAIN						
Madrid SE (28/12/84)	105.00	105.15	104.55	102.64	105.15 (7/1/85)	100.00 (28/12/84)
SWEDEN						
Jacobson & P (1/1/58)	1409.66	1406.65	1590.23	1561.84	1594.5 (3/2)	1302.93 (22/11)
SWITZERLAND						
Swiss BankCpn. (31/12/58)	409.6	397.1	389.9	386.7	409.6 (8/1/85)	354.5 (25/7)
WORLD						
Capital Intl. (1/1/70)	—	184.7	184.6	184.8	198.6 (5/5)	183.2 (14/12)

** Saturday January 5: Japan Nikkei-Dow (11,545.2). TSE (919.22).

Base values of all indices are 100 except Australia All Ordinary and Metals—500, NYSE All Common—50; Standard and Poors—10; and Toronto Composite and Metals—1,000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities. 40 Financials and 20 Transports. c Closed. (u) Unavailable.